



A Brighter Future Starts With Turning on the Light

Winter 2020

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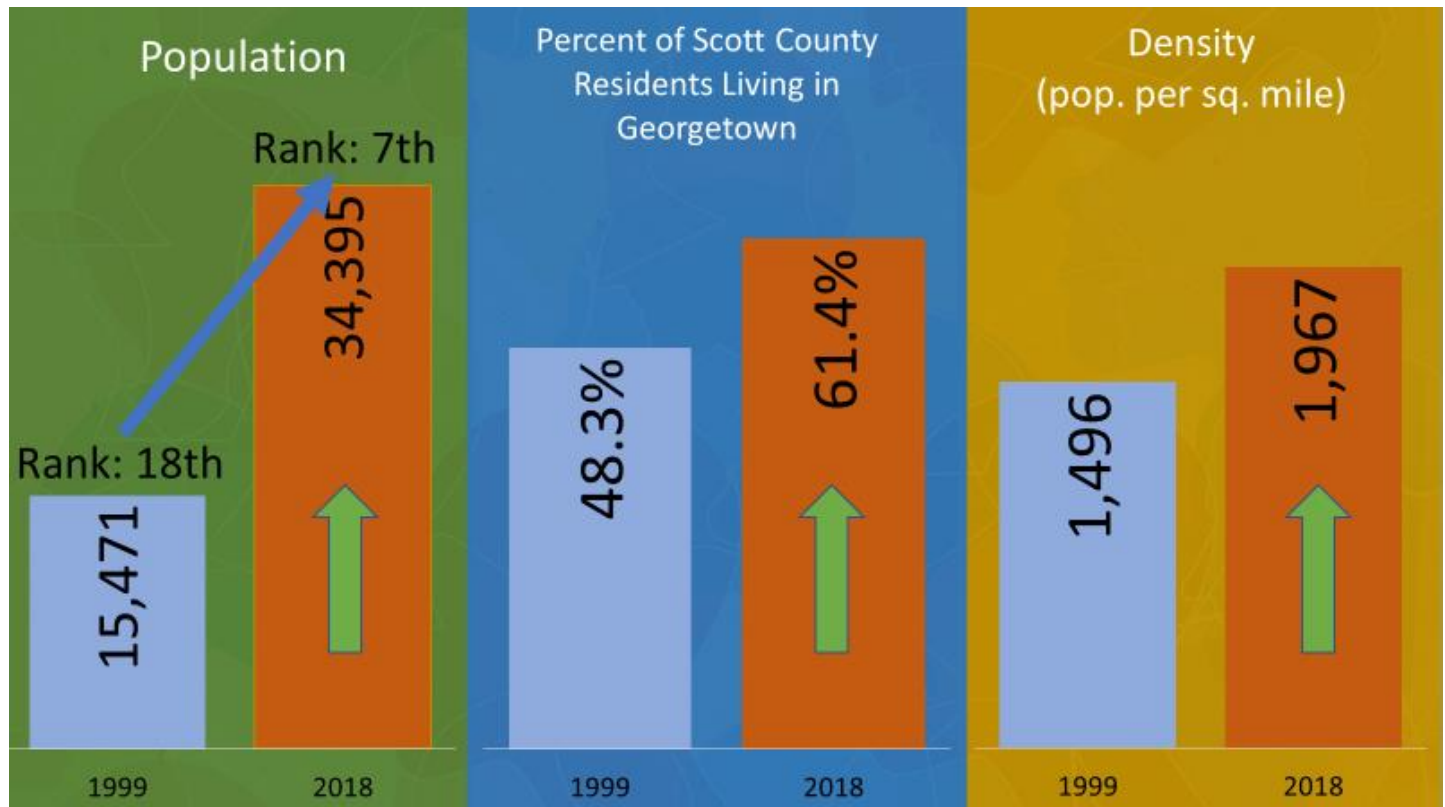
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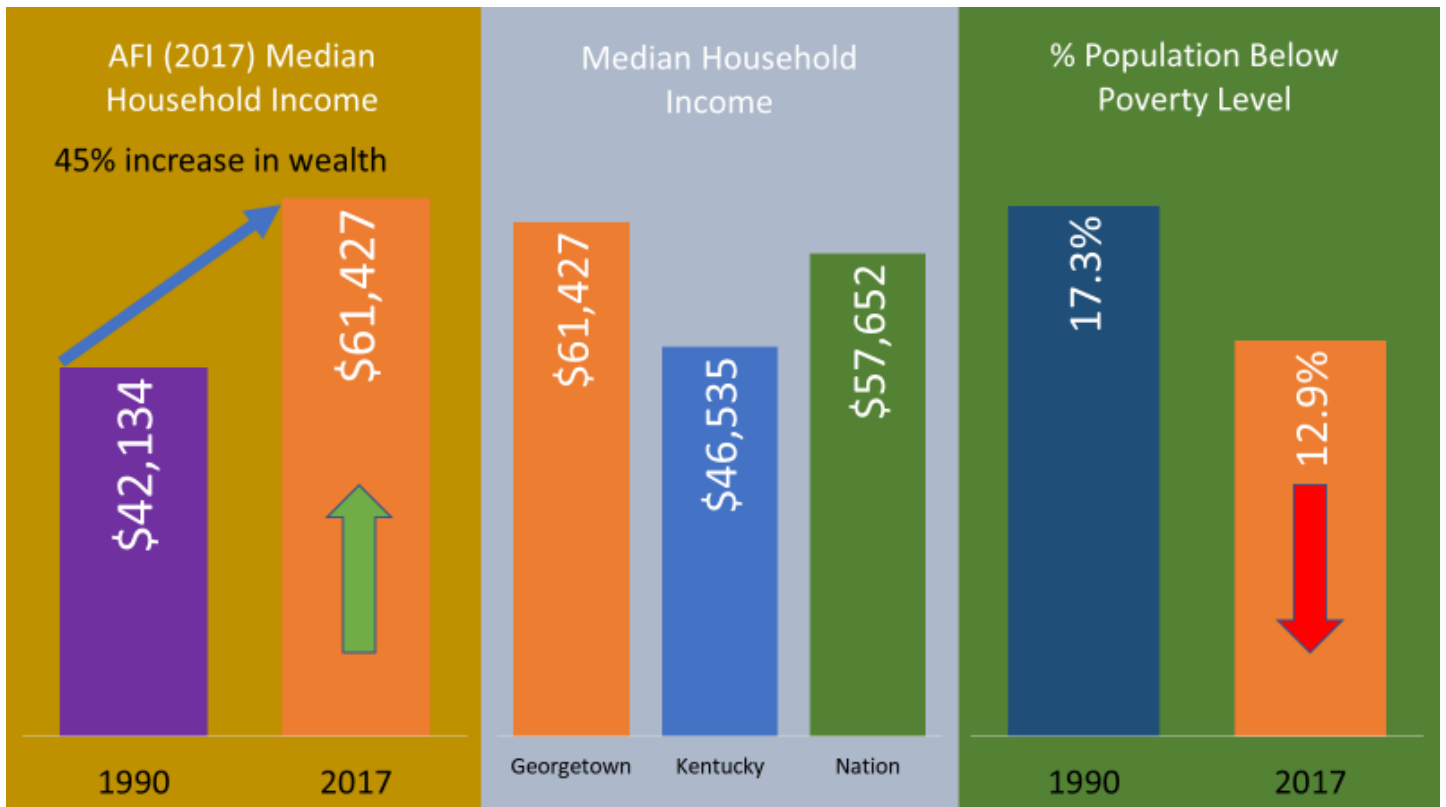
Slide 1

Georgetown's Demographics are changing. Over the last 20 years, Georgetown's population has doubled, adding almost 19,000 residents and jumping from the 18th most populous city in Kentucky to the 7th. Only Bowling Green and Lexington grew by more people in that time. Scott County became significantly more urbanized. Today, 61.4% of Scott County residents live in Georgetown city limits. The City has also become more densely populated, with 471 more residents per square mile.



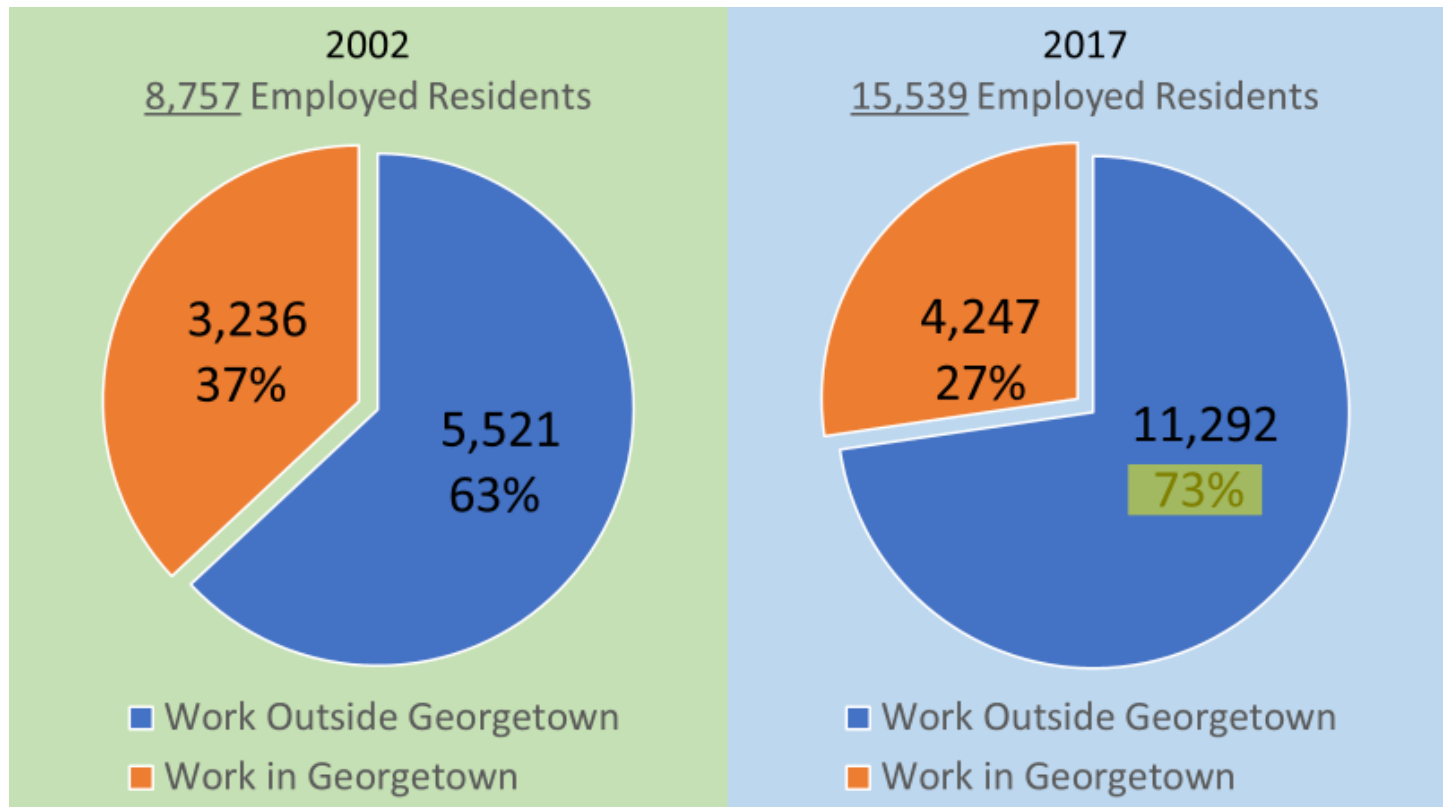
Slide 2

Adjusted for inflation, Georgetown's median household income has increased by nearly \$20,000 since 1990. That means today's residents are comparatively 45% wealthier than they were 30 years ago. Georgetown's median household income is higher than both the state and national averages. And the percentage of residents living below the poverty level has decreased 4.4 percentage points. In short, Georgetown has become a wealthier, more prosperous community.



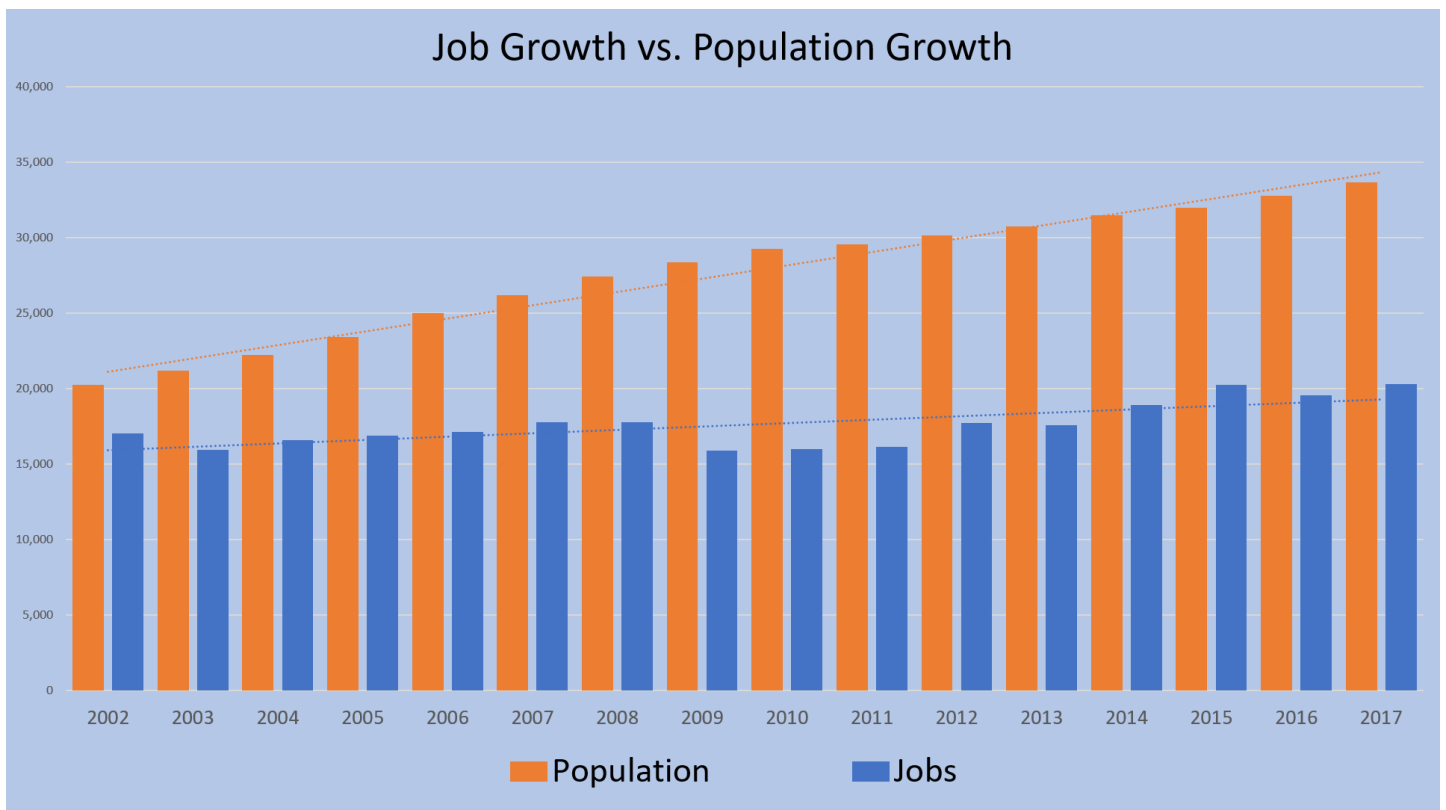
Slide 3

The City's demographics have shifted rapidly towards those of a bedroom community. In 2002, there were 8,757 employed residents, 63% of which worked outside Georgetown city limits, contributing zero to Georgetown's payroll tax. In 15 years, the City added roughly 6,800 employed residents. 85 out of every 100 of those new residents work outside Georgetown. The total percentage of employed residents working outside the City increased to 73%.

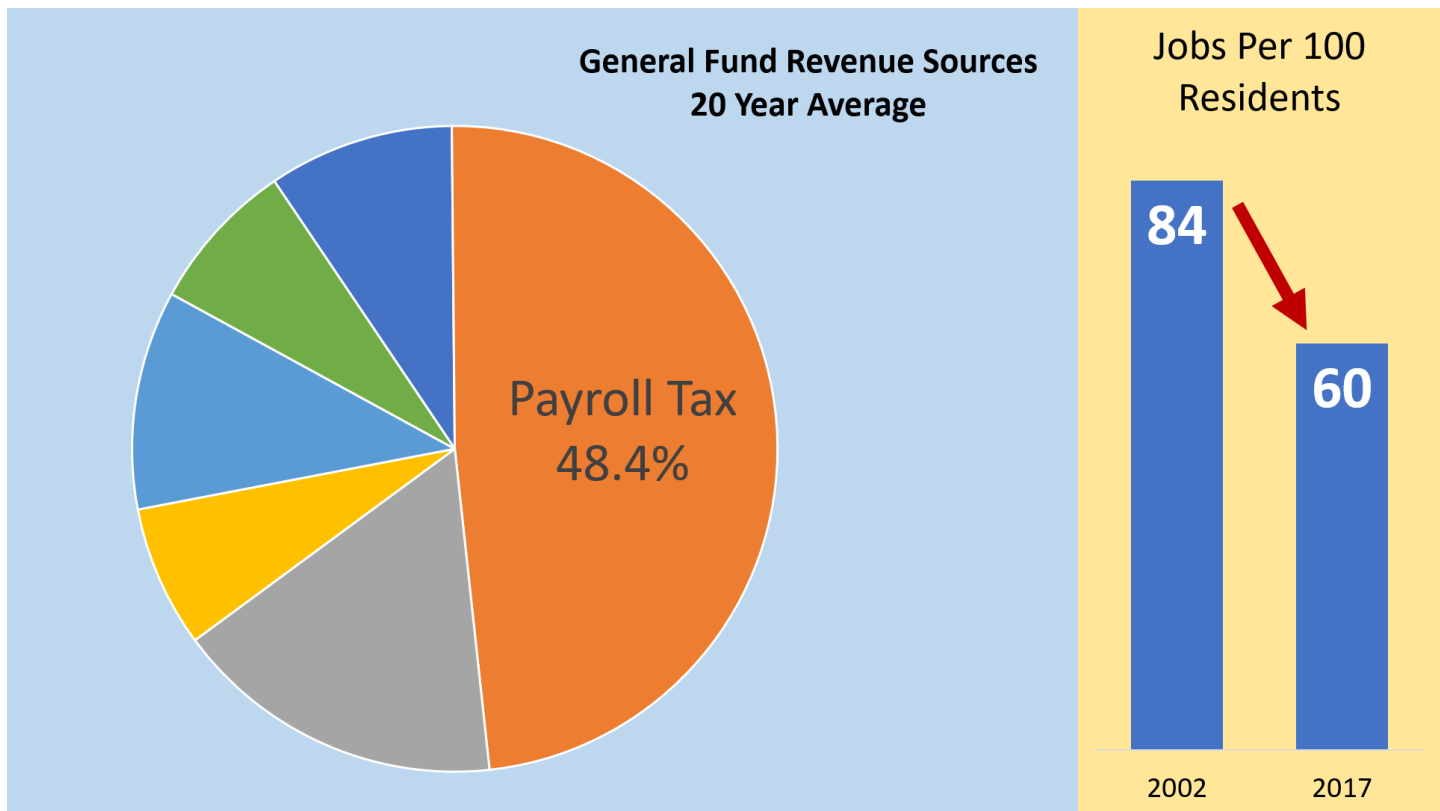


Slide 4

While the city's population has exploded, job growth has lagged. From 2002 to 2017, although the City added roughly 13,400 residents, it added only 3,200 jobs. What's more, 69% of those new jobs were filled by non-residents. Population growth outpaced job growth at a rate of 4:1, driving the number of jobs per 100 residents down from 84 to 60. When almost 50% of the City's General Fund revenues are derived from payroll taxes, revenue simply cannot keep up with the population growth.



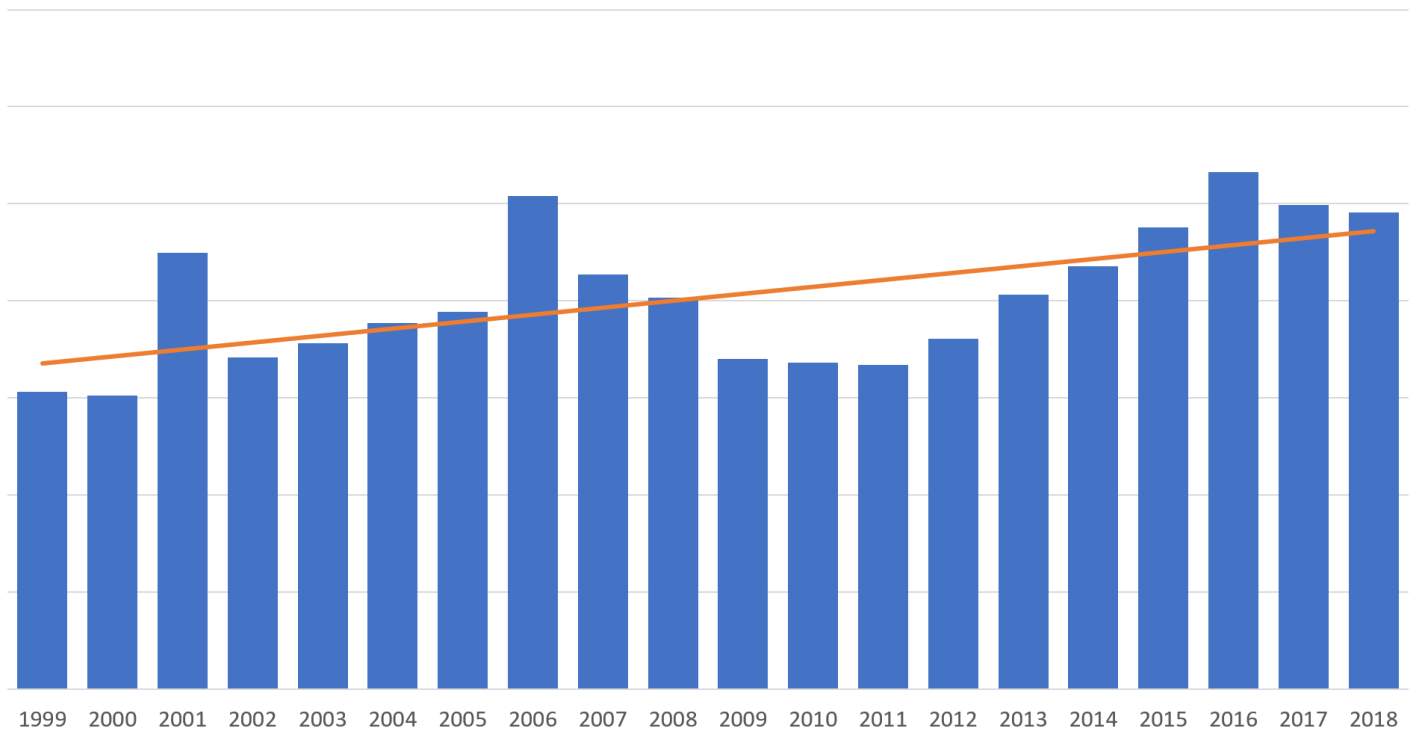
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Slide 5

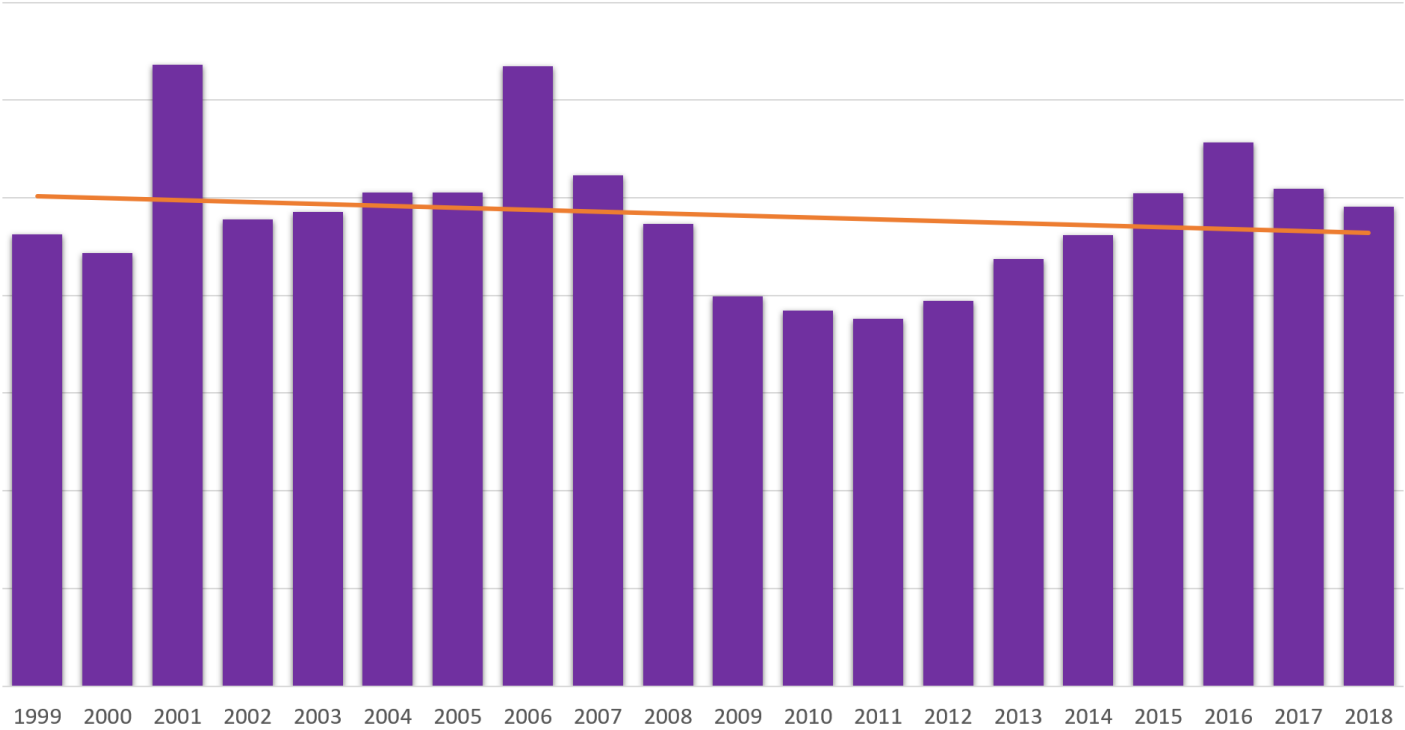
While Georgetown's General Fund revenues have increased over the last 20 years, those increases have just kept pace with inflation. When adjusted to today's values, Georgetown generates essentially the same revenue today as it did in 1999, while trying to support twice the population. The gap between revenue and population growth is increasing, forcing Georgetown to do increasingly more with the same resources. Georgetown now generates less than half the revenues per resident as it did 20 years ago. If the City generated today as much per capita in adjusted General Fund revenue as it did in 1999, it would generate roughly \$26.8 million more in annual revenues. The average revenues per capita over 20 years was \$961. If the City were to generate revenues per capita at that rate, it would generate \$8.5 million more annual revenues.

20 Year General Fund Revenues

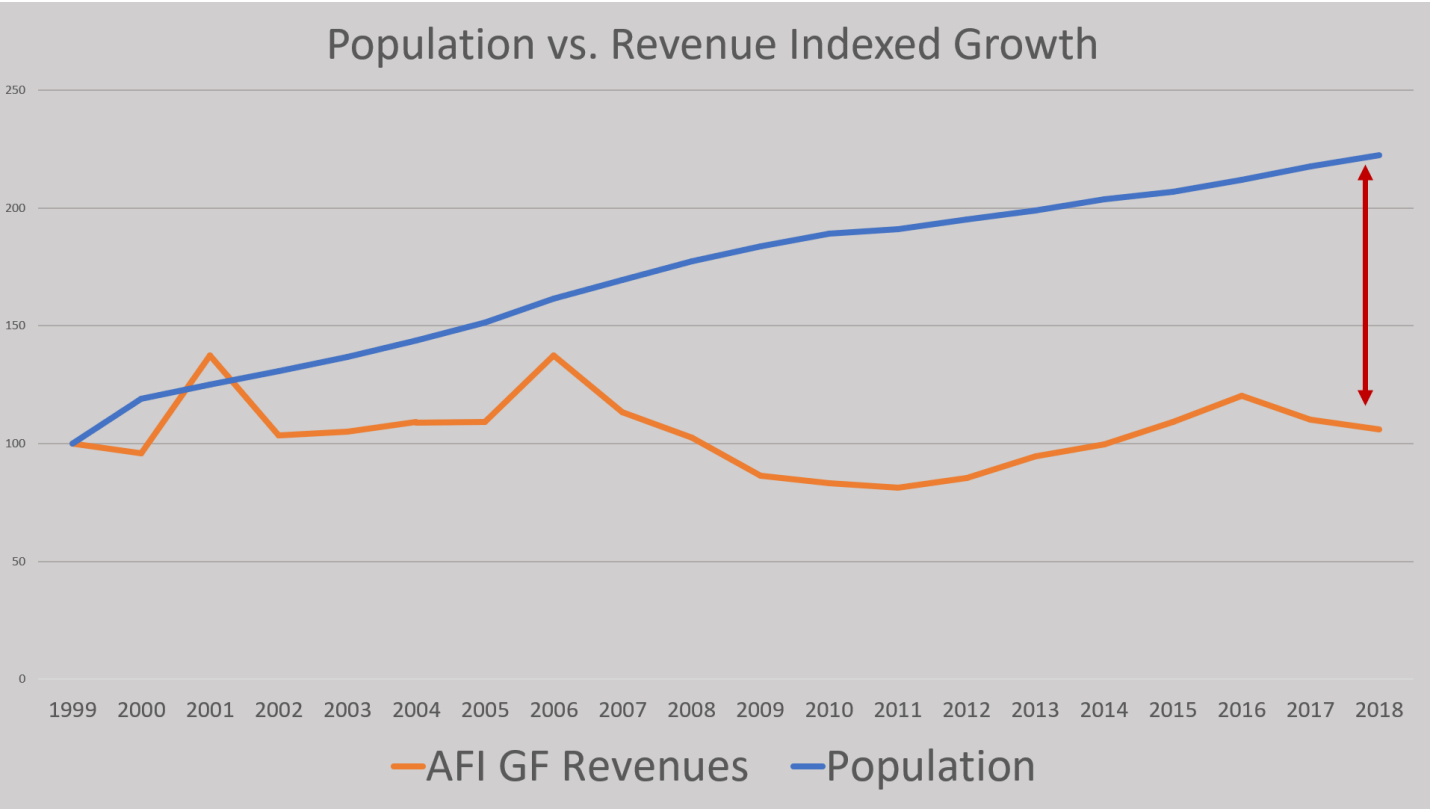


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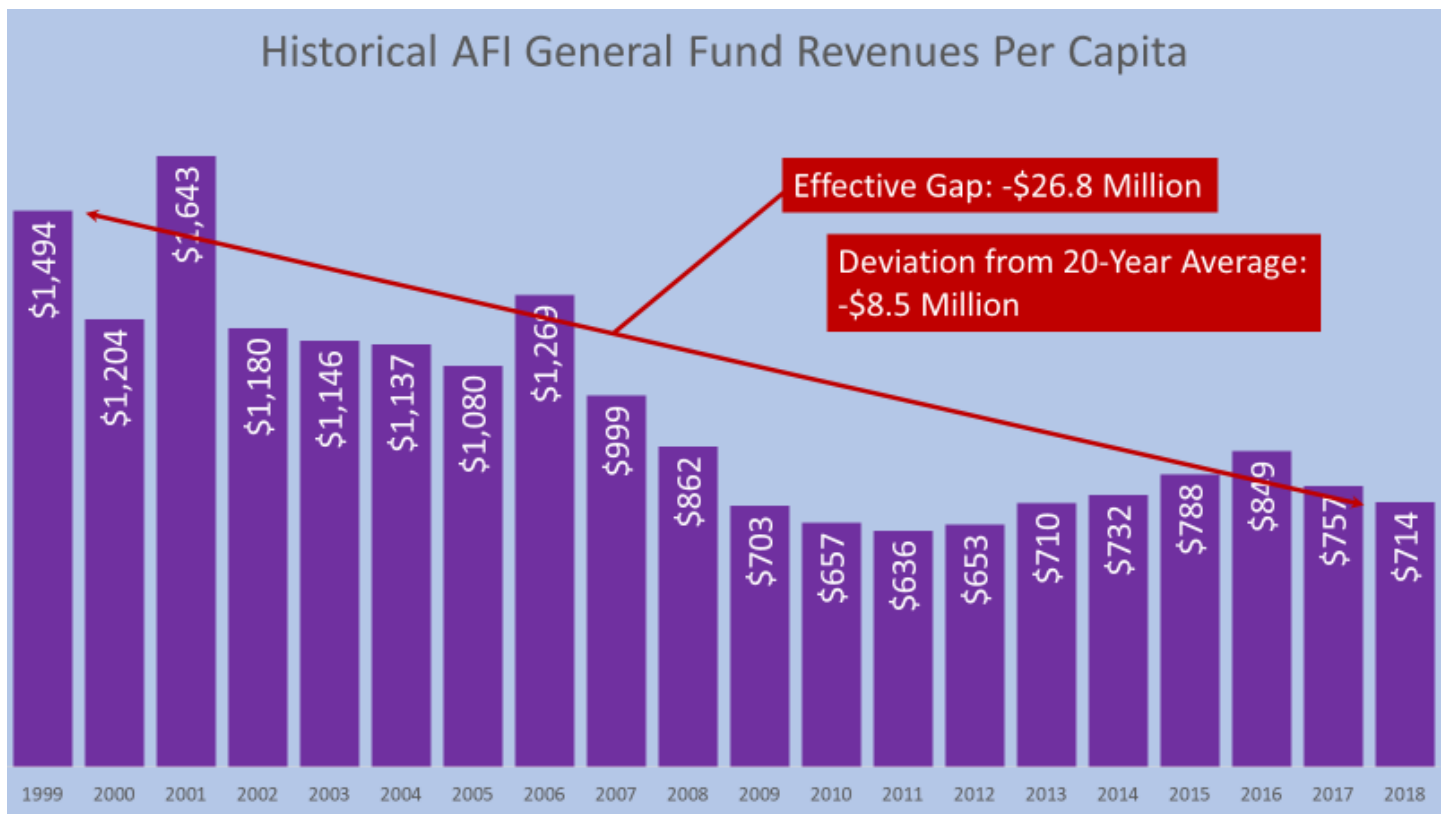
General Fund Revenues Adjusted for Inflation (In 2018 Dollars)



Population vs. Revenue Indexed Growth

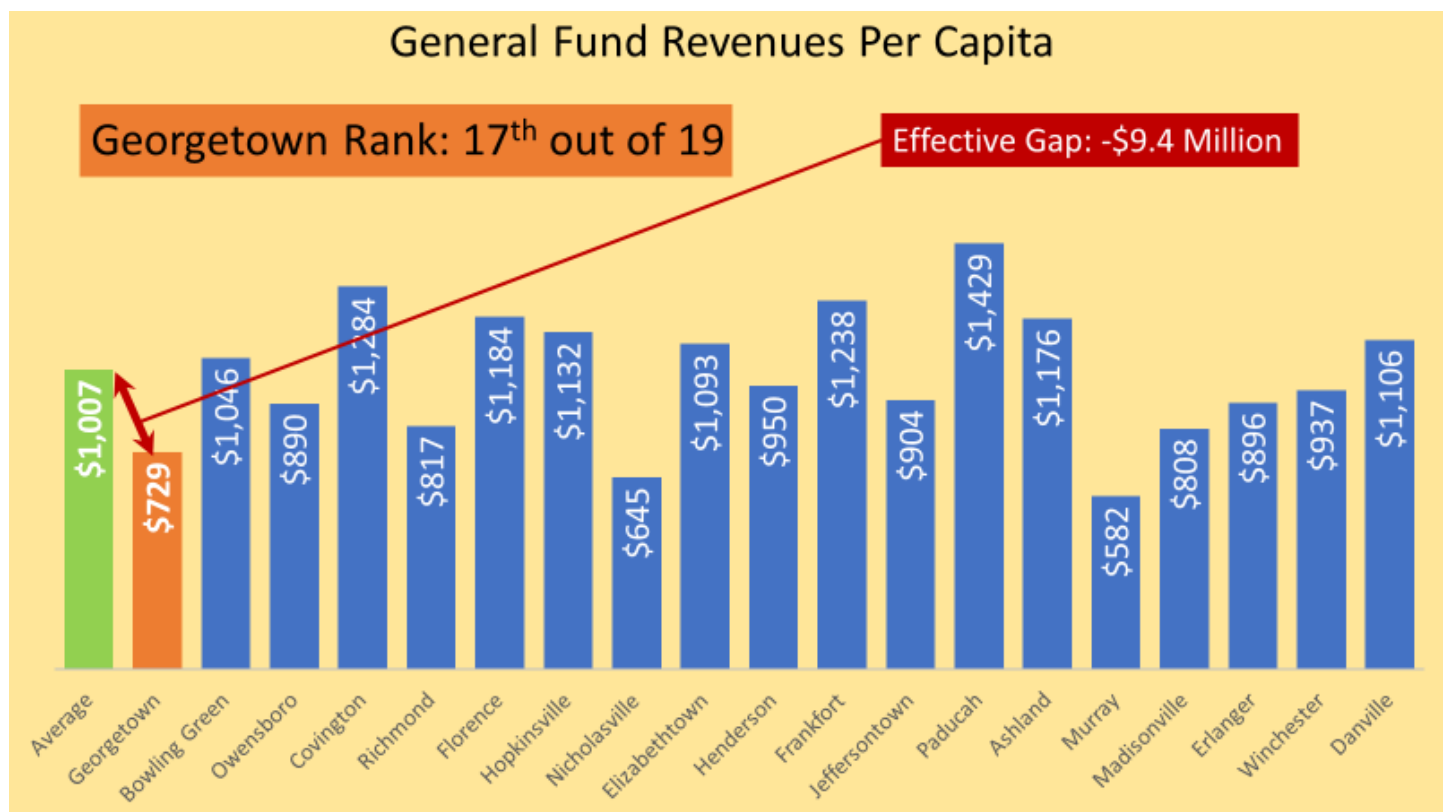


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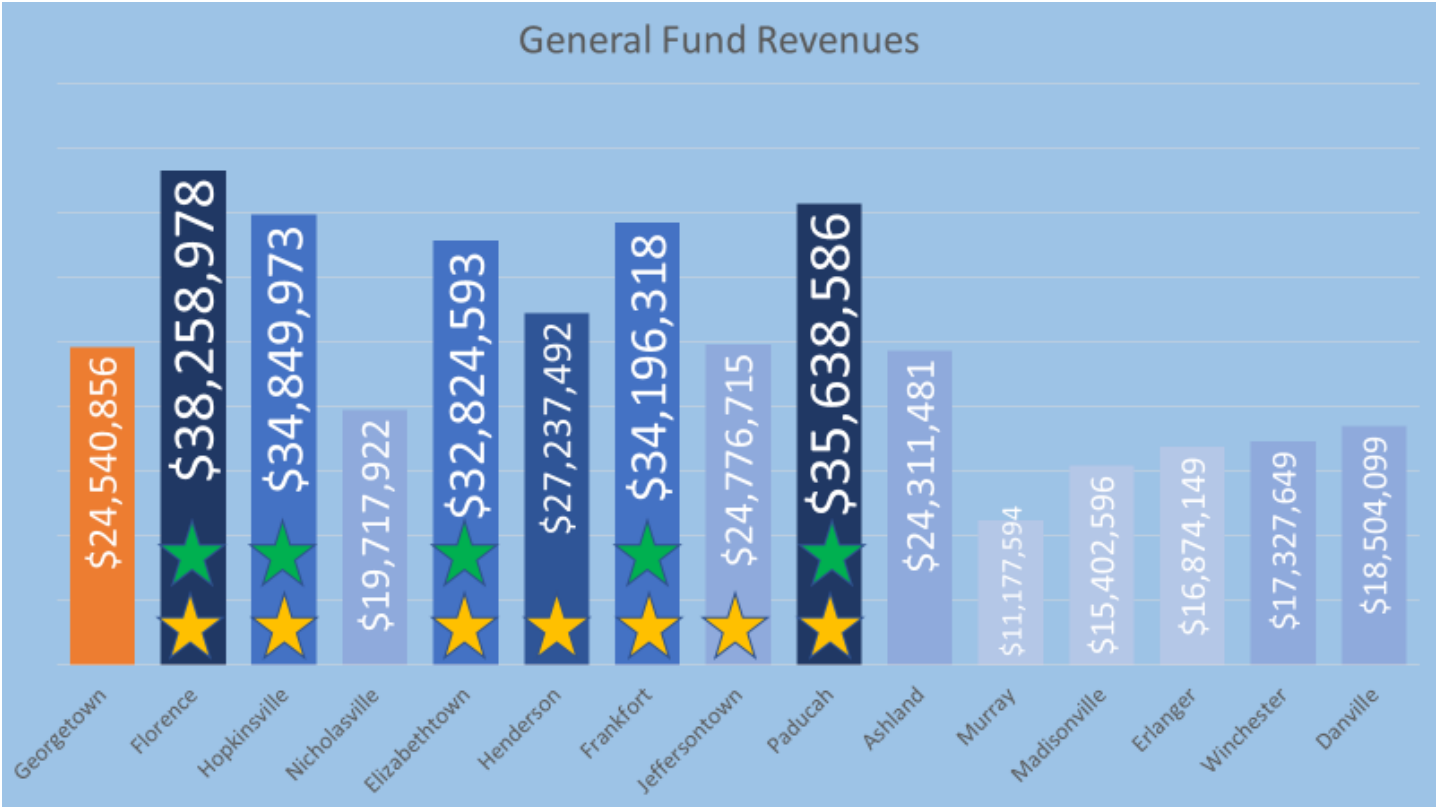


Slide 6

Georgetown's General Fund revenues per capita are substantially lower than its peer cities' average. Georgetown has the third lowest General Fund revenues per capita and falls short of the peer average by \$278 per resident. Multiply that difference by Georgetown's population, and the City has an effective gap of \$9.4 million in annual revenues. Of the 14 peer cities with smaller populations than Georgetown, half had higher annual General Fund revenues than Georgetown, and 5 had annual revenues exceeding \$30 million.

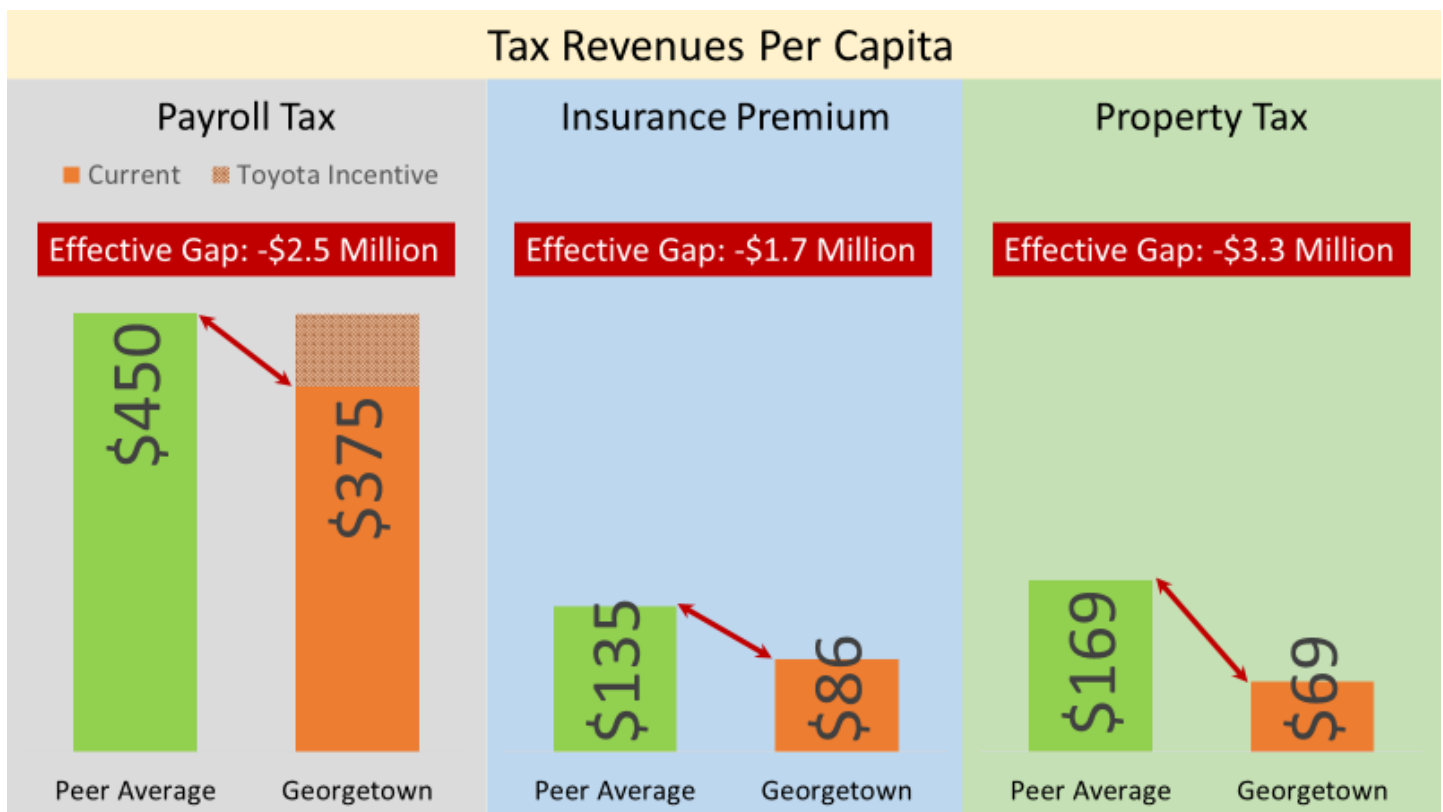


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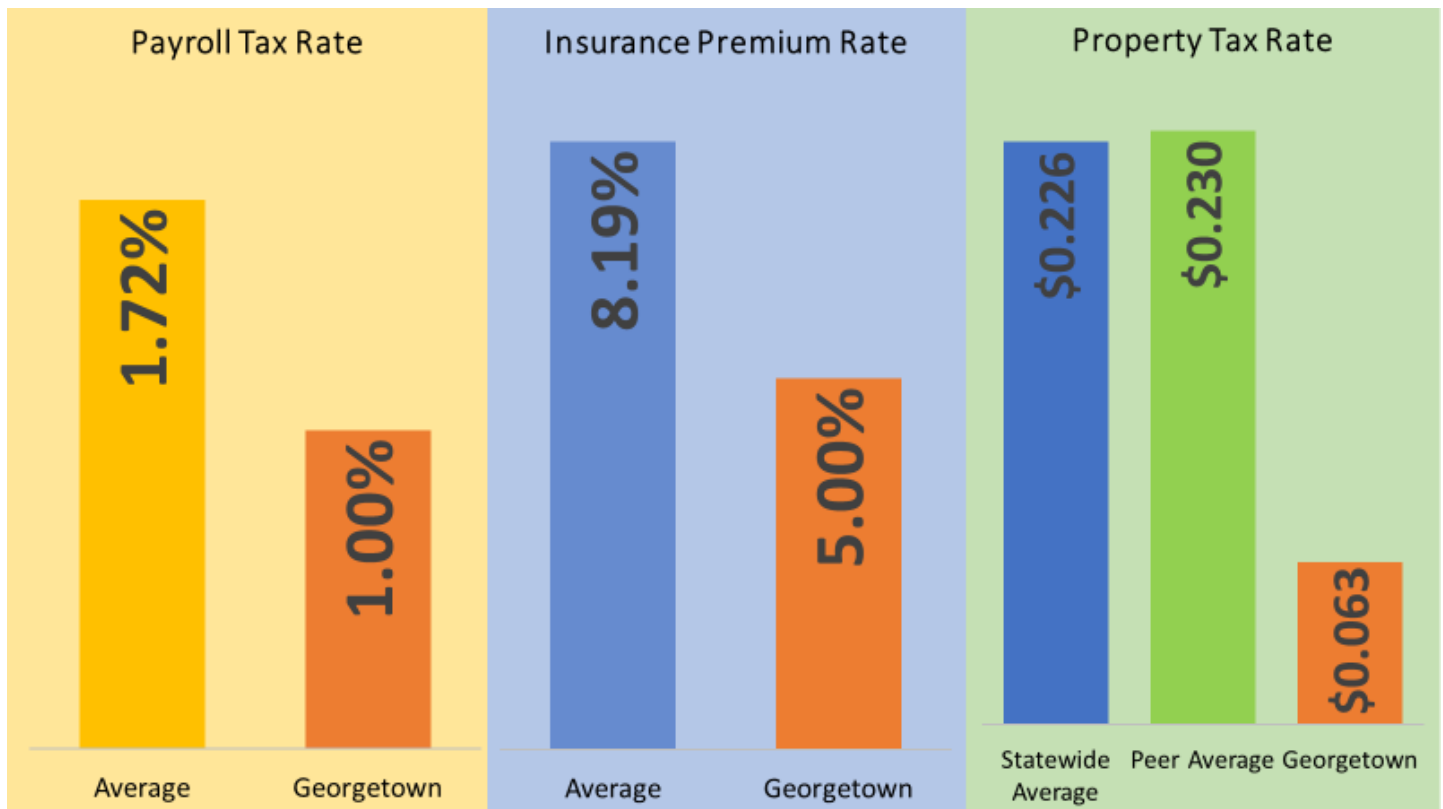
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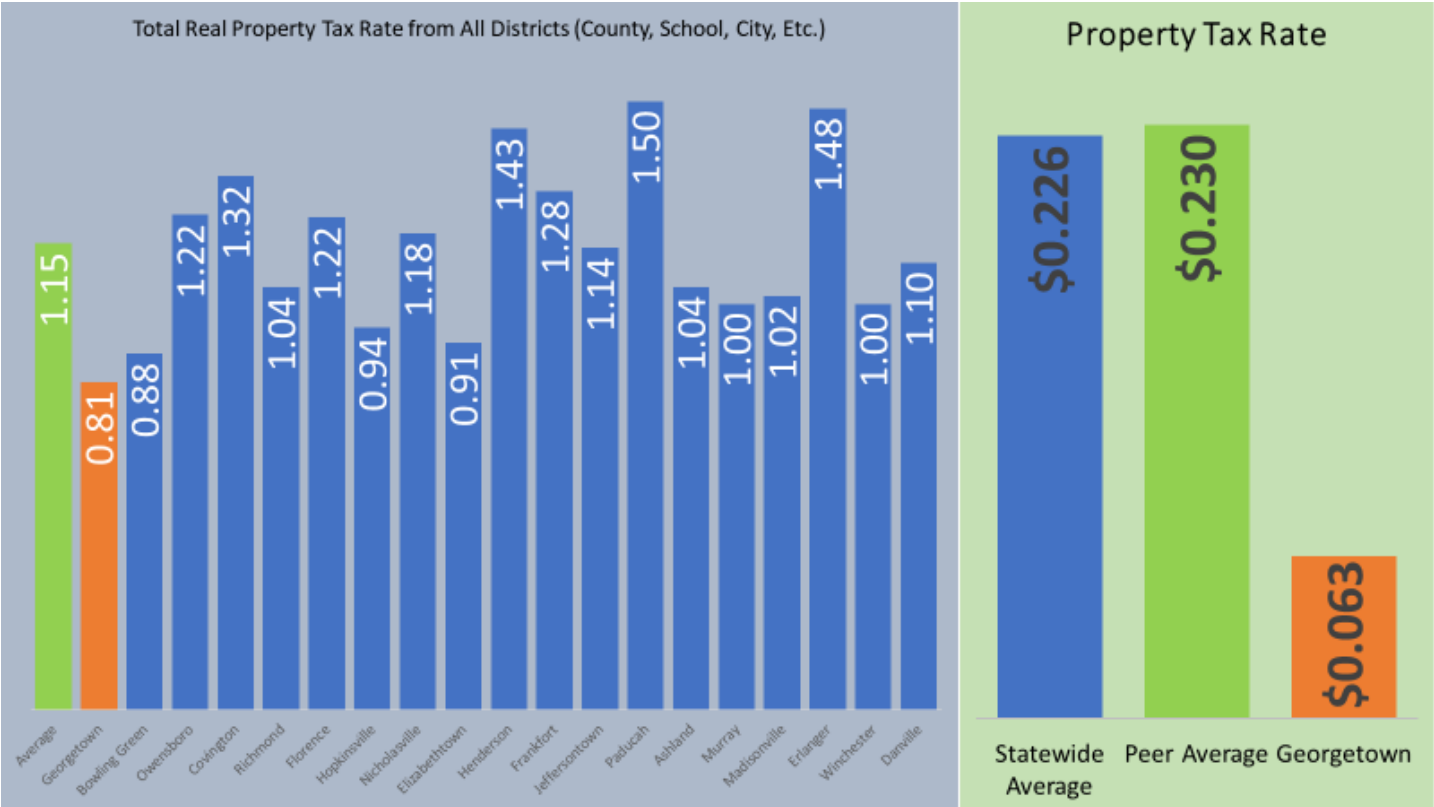
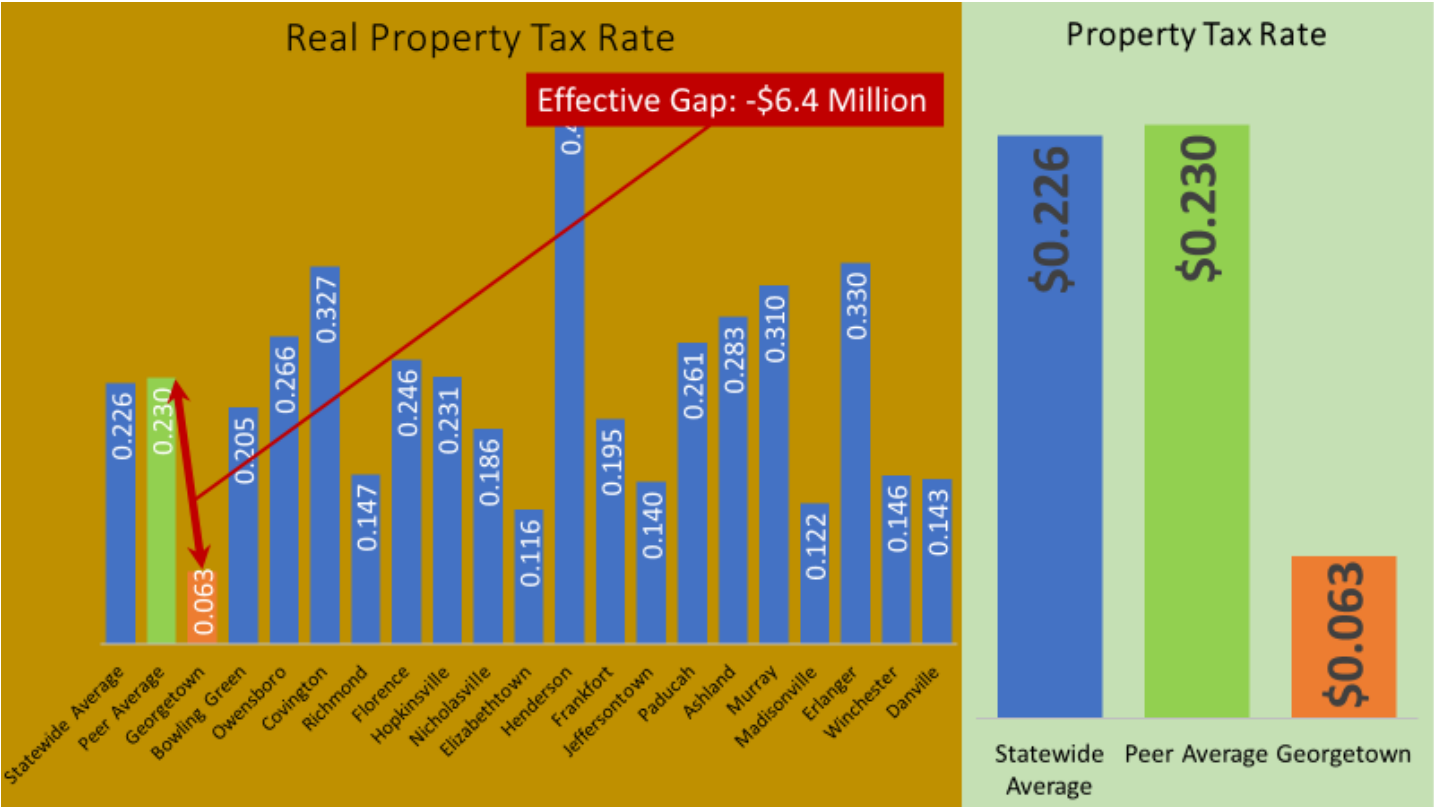
Georgetown has lower tax revenues per capita than its peers' averages. The City generates about \$75 less per resident in payroll taxes than the peer average, creating an effective gap of \$2.5 million. That gap is roughly the same as the current Toyota Kentucky Jobs Retention Act incentive. Insurance premium tax revenues lag the peer average by \$49 per resident, leaving a gap of \$1.7 million. And Georgetown's property tax revenues per capita are only 40% of the peer average and \$100 per resident lower. This creates a gap of \$3.3 million in annual property tax revenues.



Slide 8

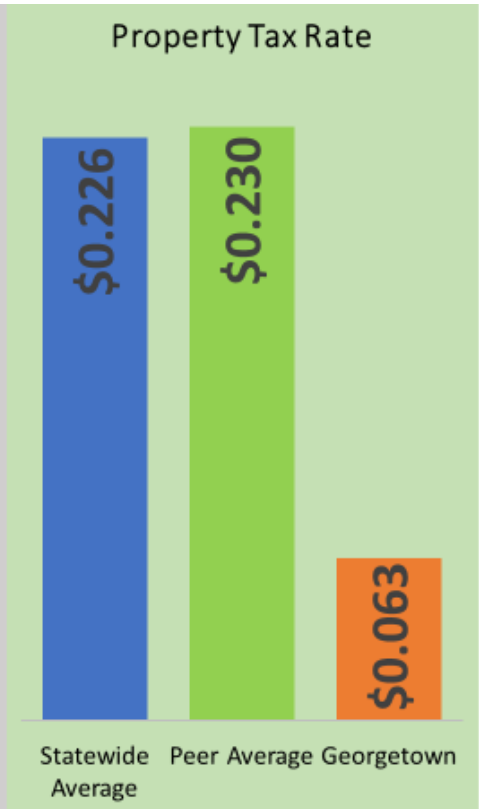
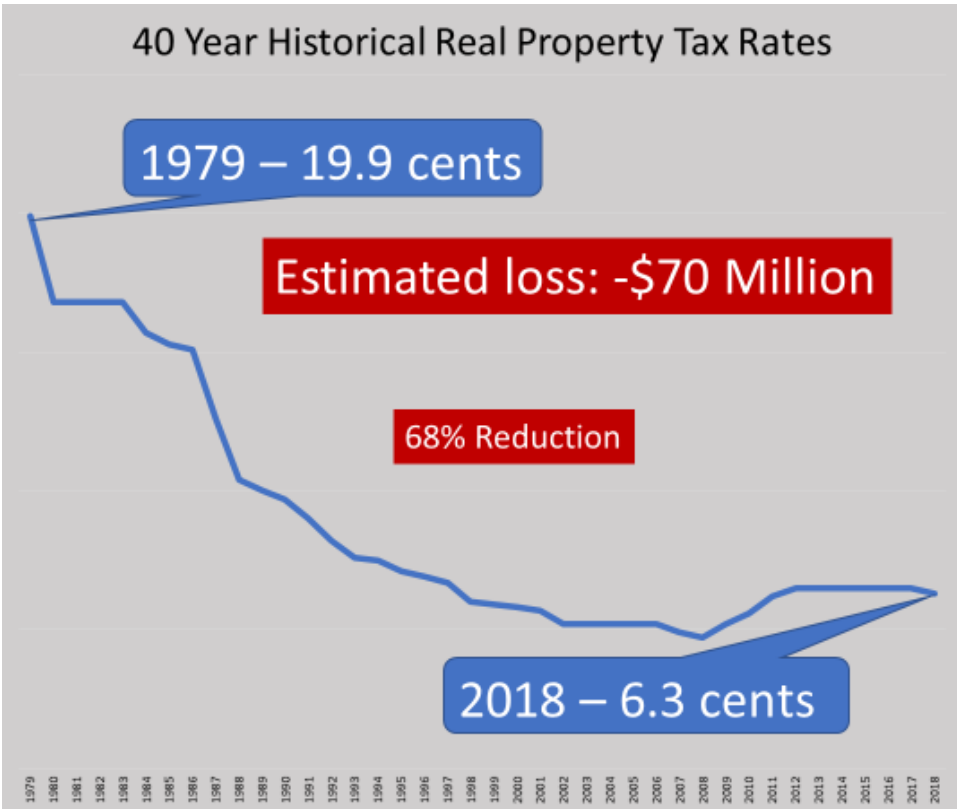
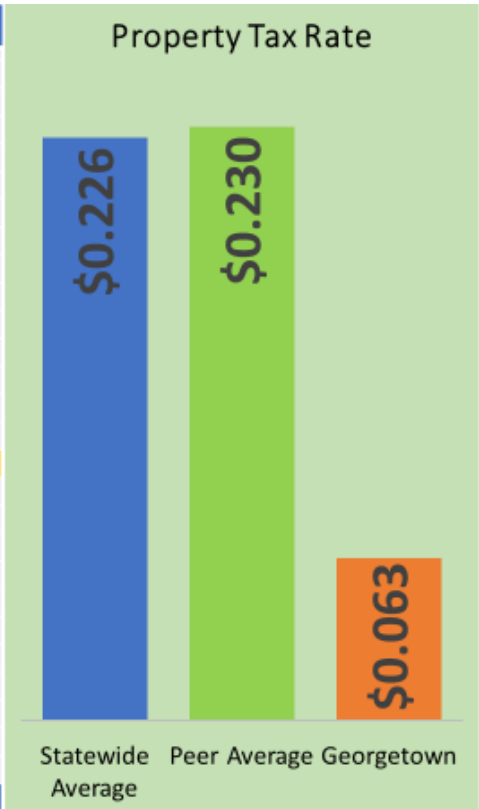
Georgetown's tax rates are significantly lower than its peers' averages. In particular, the City's property tax rates are extremely low: only a quarter of the peer average and the statewide city average. If Georgetown's real property rate was at the peer average, it would generate \$6.4 million more in annual property tax revenues. Residents of Georgetown pay a lower total tax burden to all taxing jurisdictions, including city, county, school and special districts, than all the other peer cities. The City's real property tax rate ranks 395th out of all 406 cities in Kentucky. And over the last 40 years, the City has reduced its real property tax rate by 68% from 19.9 cents per \$100 to 6.3 cents. The estimated revenue loss from this reduction over the course of just the last 20 years is \$70 million.





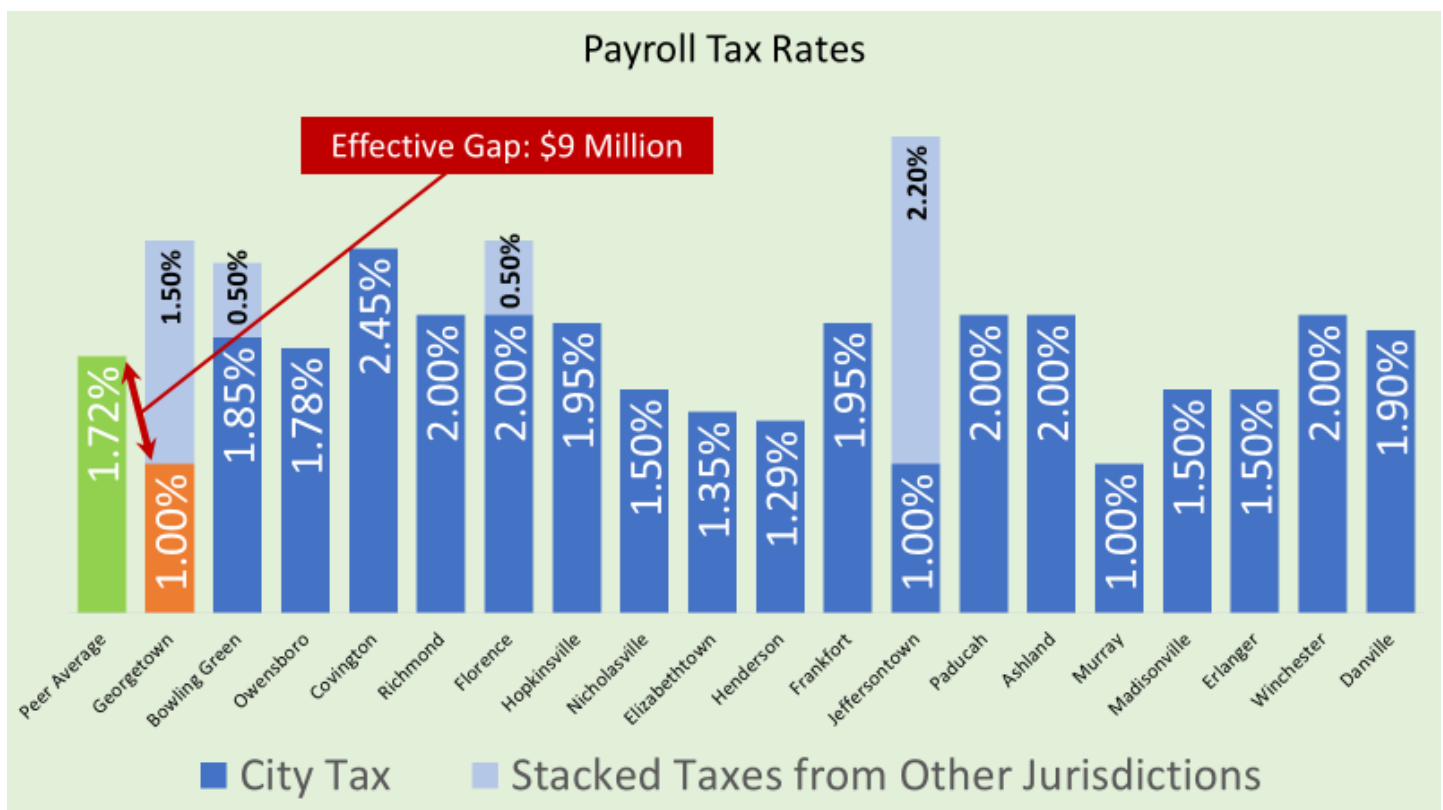
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City	Rate	Rank
TEN BROECK	8.88	381
SAINT CHARLES	8.80	382
LONDON	8.80	382
CLARKSON	8.70	384
EDMONTON	8.50	385
WATTERSON PARK	8.20	386
HYDEN	7.60	387
WILLISBURG	7.50	388
MIDWAY	7.50	388
MEADOWBROOK FARM	7.30	390
WHITESVILLE	7.00	391
BELLEMEADE	7.00	391
MIDDLESBORO	6.90	393
HARRODSBURG	6.68	394
GEORGETOWN	6.30	395
BROWNSVILLE	6.20	396
FRENCHBURG	6.00	397
VERSAILLES	5.60	398
CARRSVILLE	5.00	399
VICCO	5.00	399
WHITE PLAINS	4.00	401
ROBARDS	2.00	402
PLUM SPRINGS	1.50	403
COAL RUN VILLAGE	0.03	404
JEFFERSONVILLE	0.00	405
OAKLAND	0.00	405



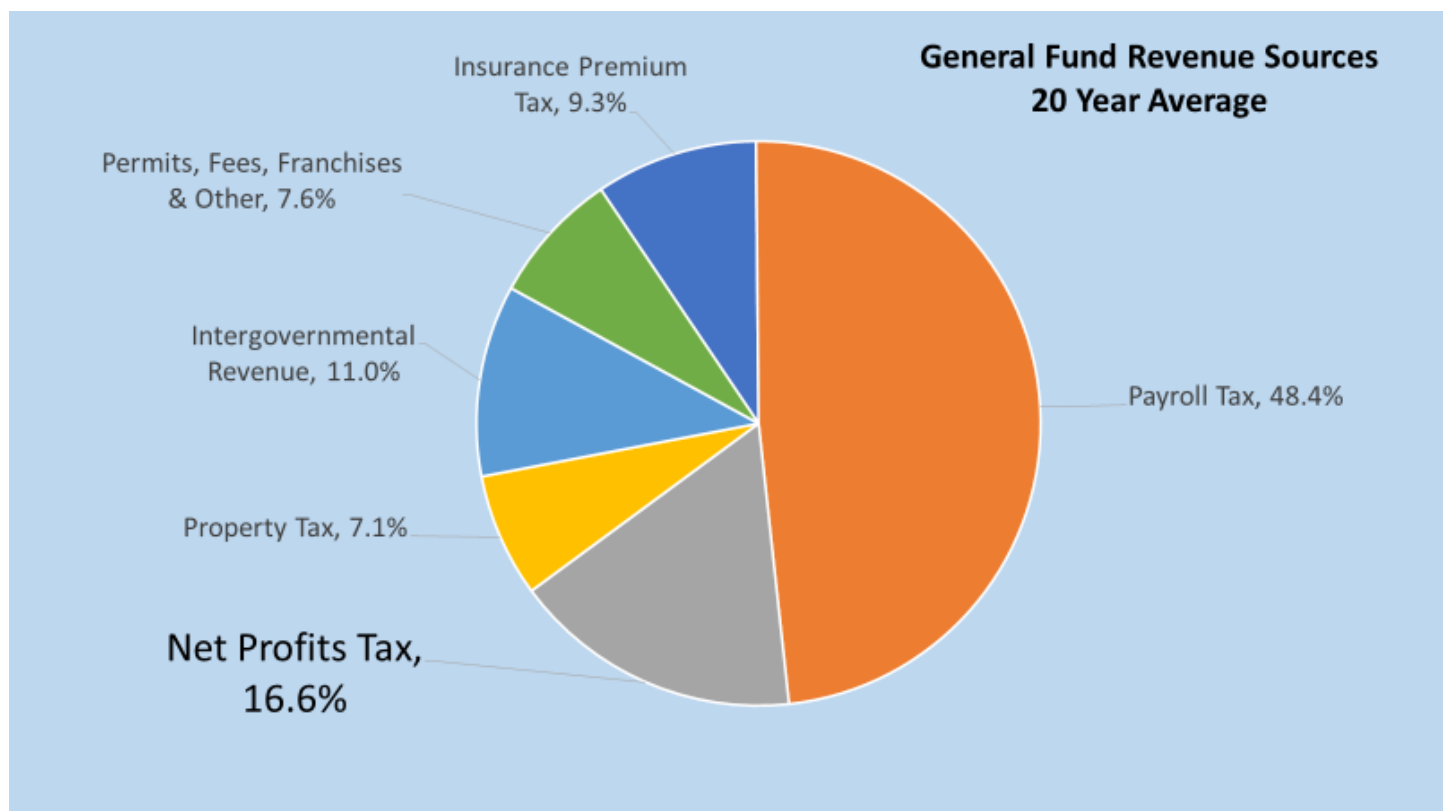
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Georgetown's payroll tax rate is significantly lower than its peers' average. This difference represents a \$9 million gap in payroll tax revenues. Georgetown is the only city in its peer group to stack payroll taxes with its host county. That is, in every other peer jurisdiction, employees within the city don't have to pay the county's payroll tax. Employees of Jeffersontown pay up to a 2.2% payroll tax to Louisville Metro. Only two other cities also have a half percent school payroll tax like Georgetown. This unique offset has given Scott County greater financial prosperity compared to its peers. It also creates a significant barrier for Georgetown, putting it at a competitive disadvantage with its peer cities, all but two of which have payroll tax rates above 1%.

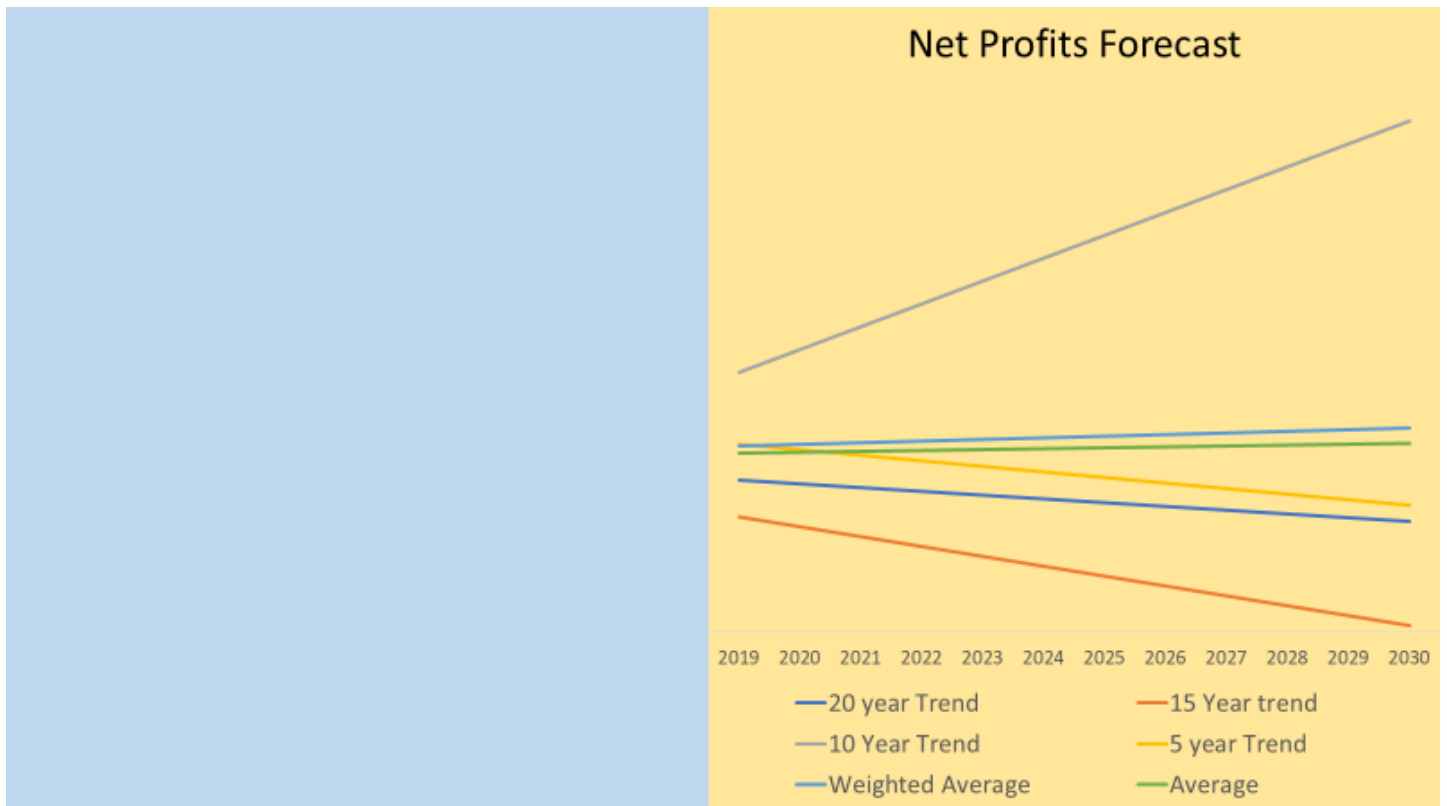
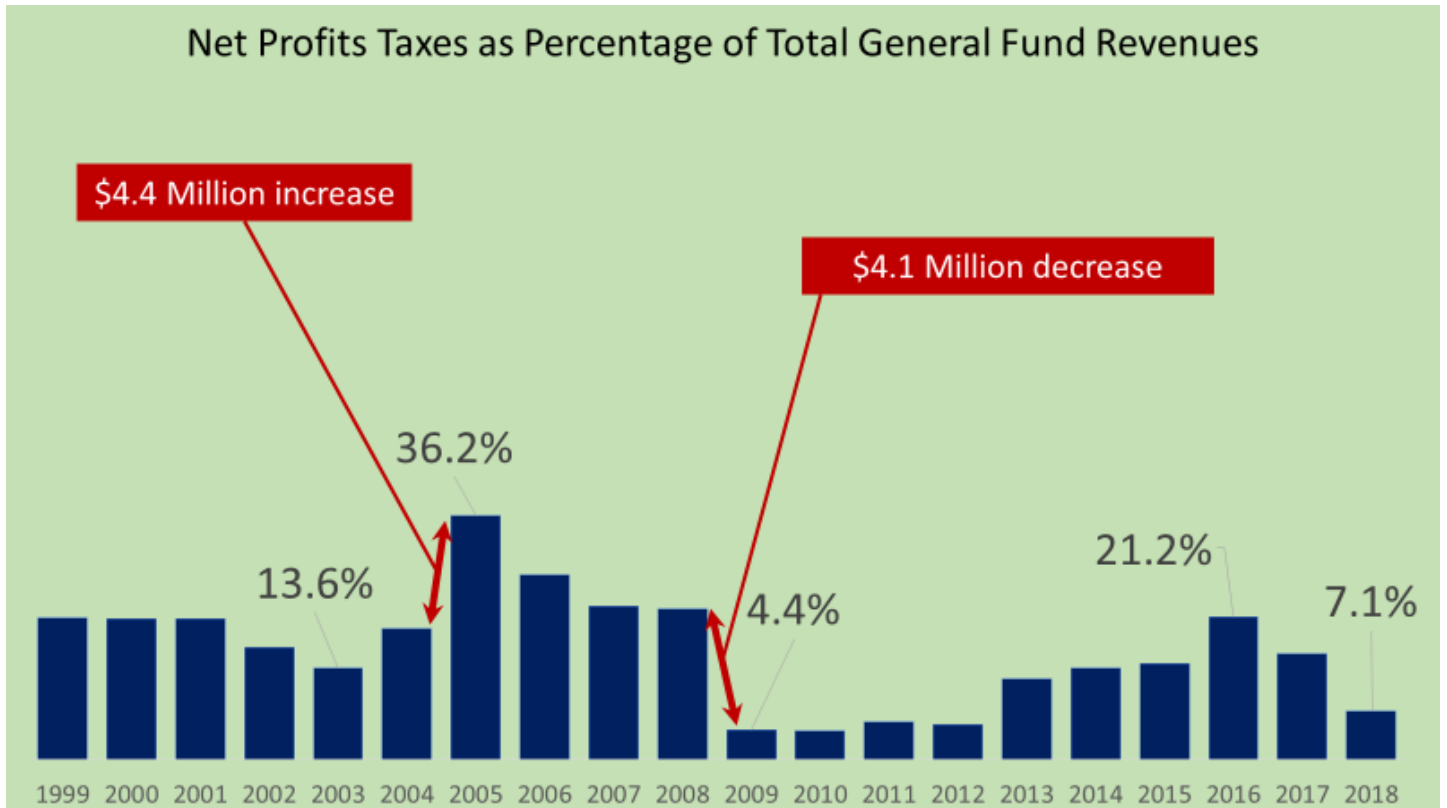


Slide 10

Net Profits tax revenues are the second largest source of income for the City, accounting on average for 16.6% of total General Fund revenues. This percentage, however, has varied greatly from year to year, ranging from 4% to 36%. In 2005, there was a \$4.4 million increase in net profits revenues. And in 2009, there was a loss in net profits revenues of \$4.1 million, equivalent to 18% of the General Fund budget. With swings these wild, predicting Net Profits revenues can be very difficult. This is only one of several reasons why some cities have begun shifting from net profits taxes to gross receipts taxes.

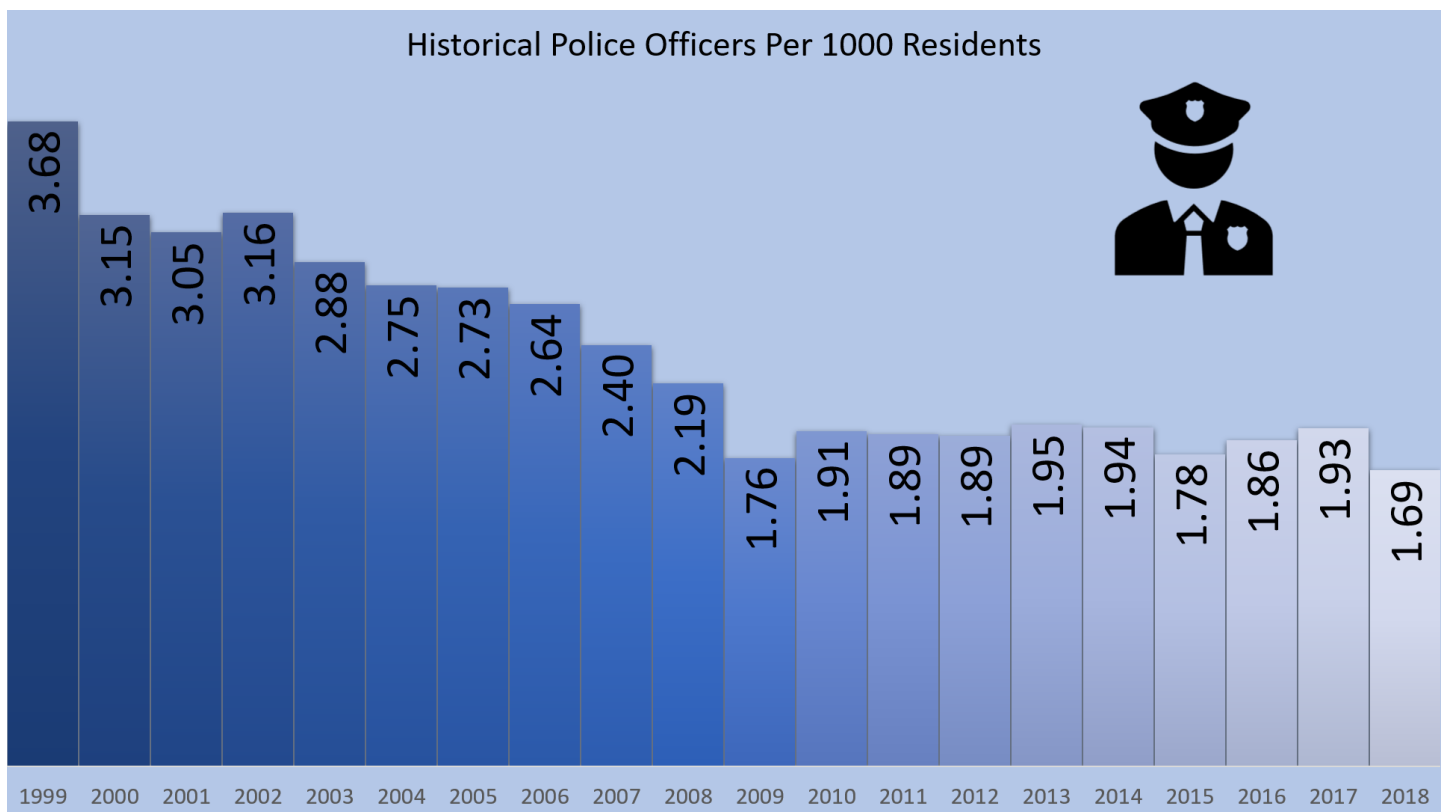


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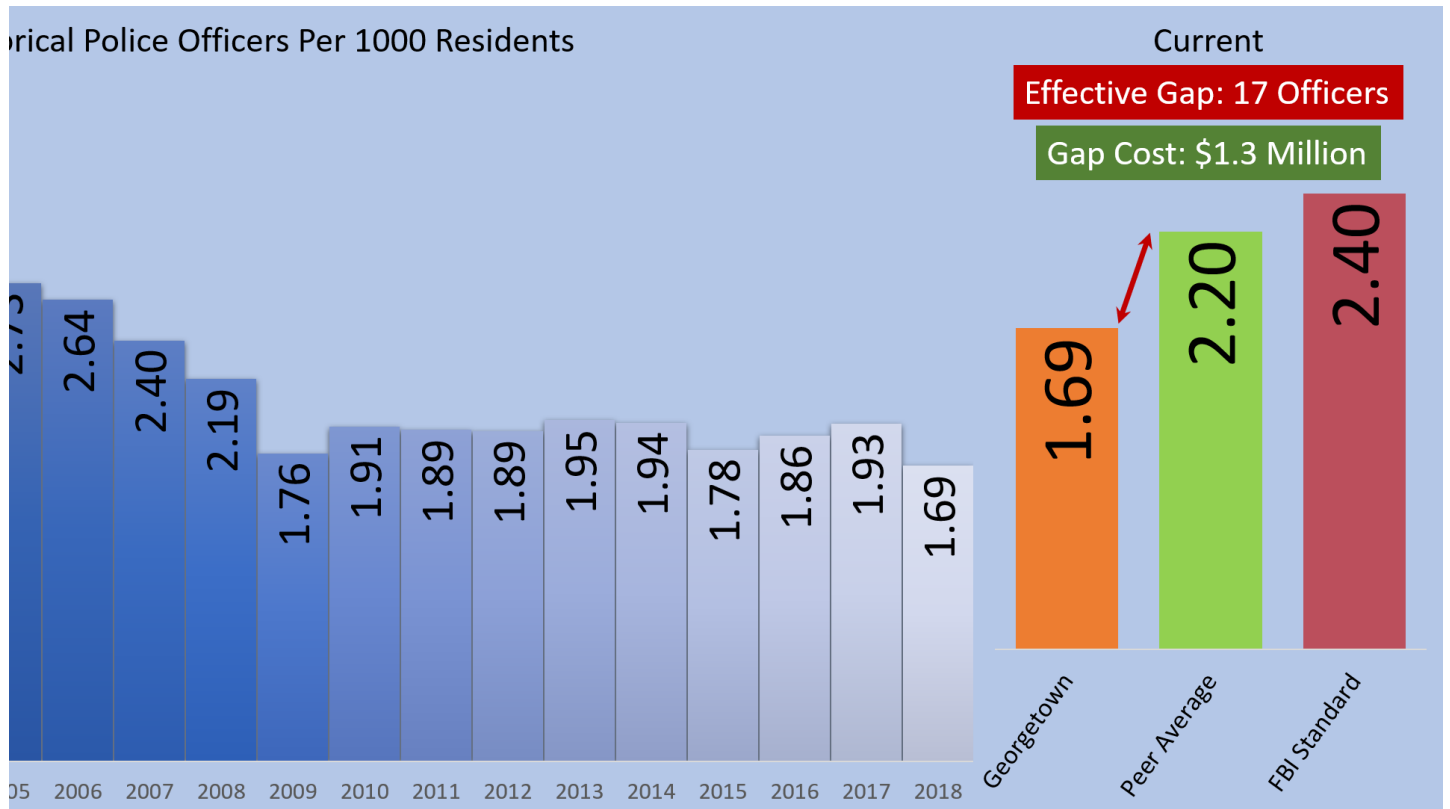


Slide 11

Georgetown's population growth has far outpaced the City's public safety efforts. As a result, the number of police officers per 1,000 residents has dramatically declined to less than half of what it was 20 years ago. At 1.69 officers per 1,000 residents, Georgetown ranks the lowest among its 18 peer cities and falls 17 officers short of its peers' average and 23 officers short of the FBI standard. It would cost the City an additional \$1.3 million annually to hire enough police officers to meet the standard set by its peers.

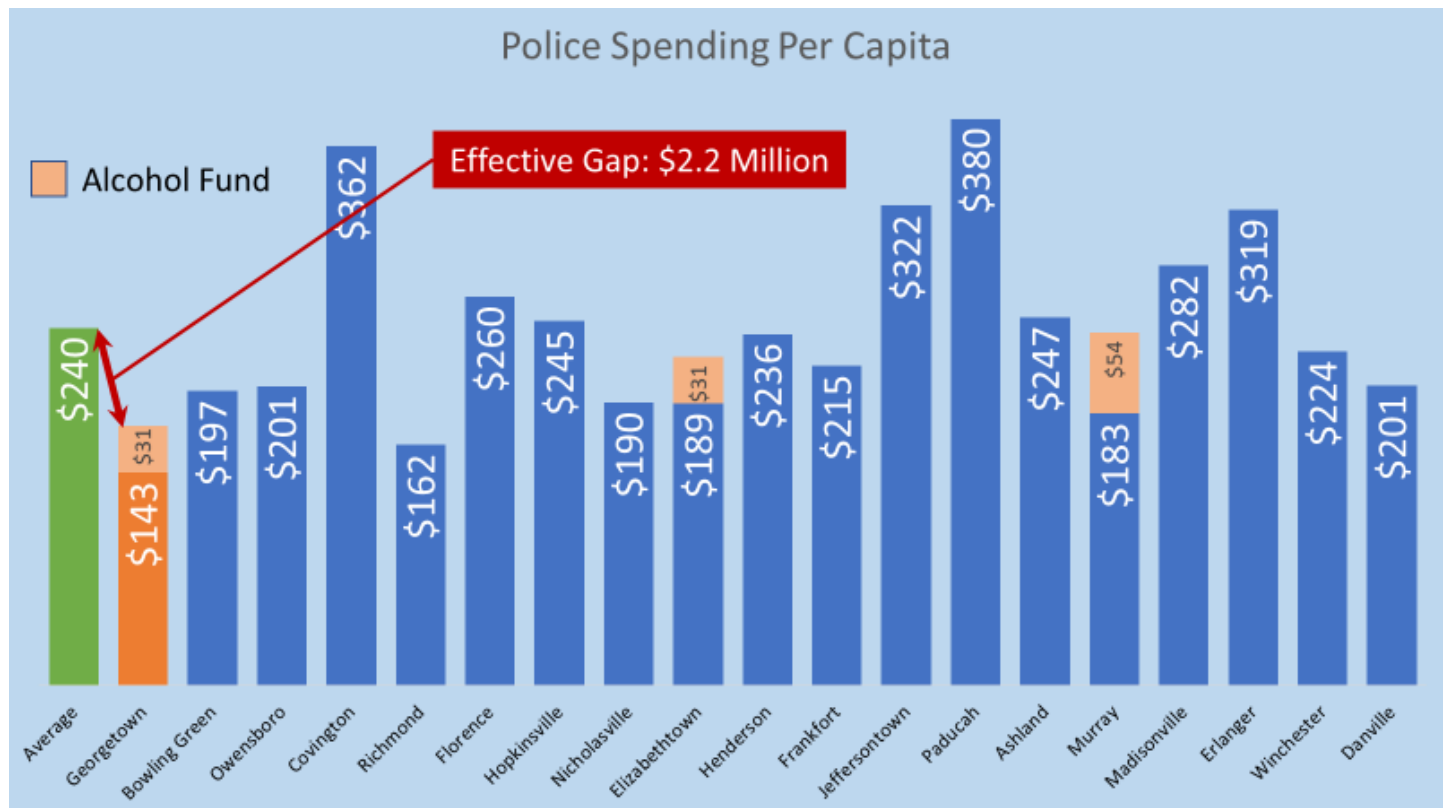


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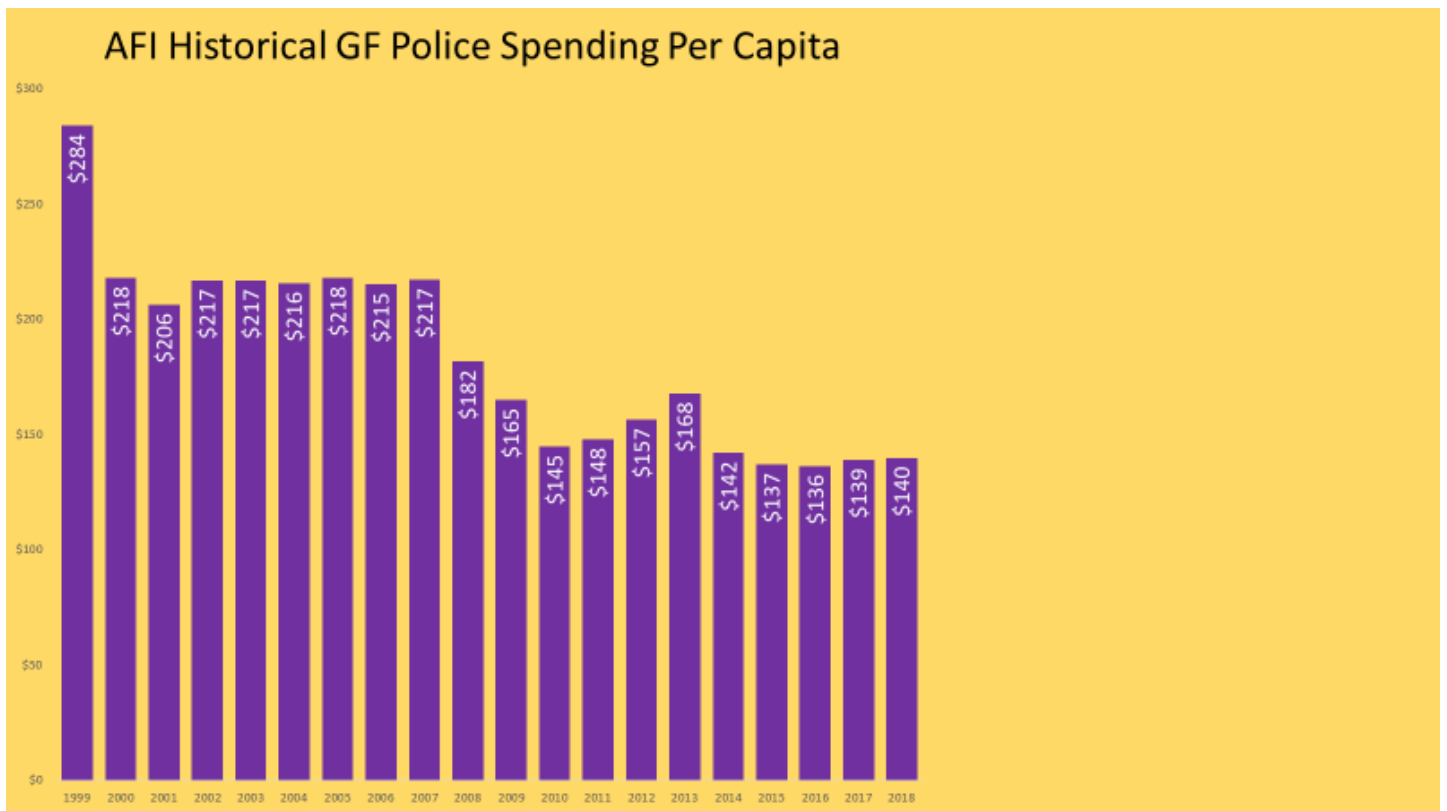


Slide 12

Including the \$1 million Georgetown generates in alcohol regulatory fees, the City spends \$66 less per resident than its peers' average. It would have to spend about \$2.2 million more annually to close this gap. Adjusted for inflation, General Fund police spending per capita is down significantly over the last 20 years.

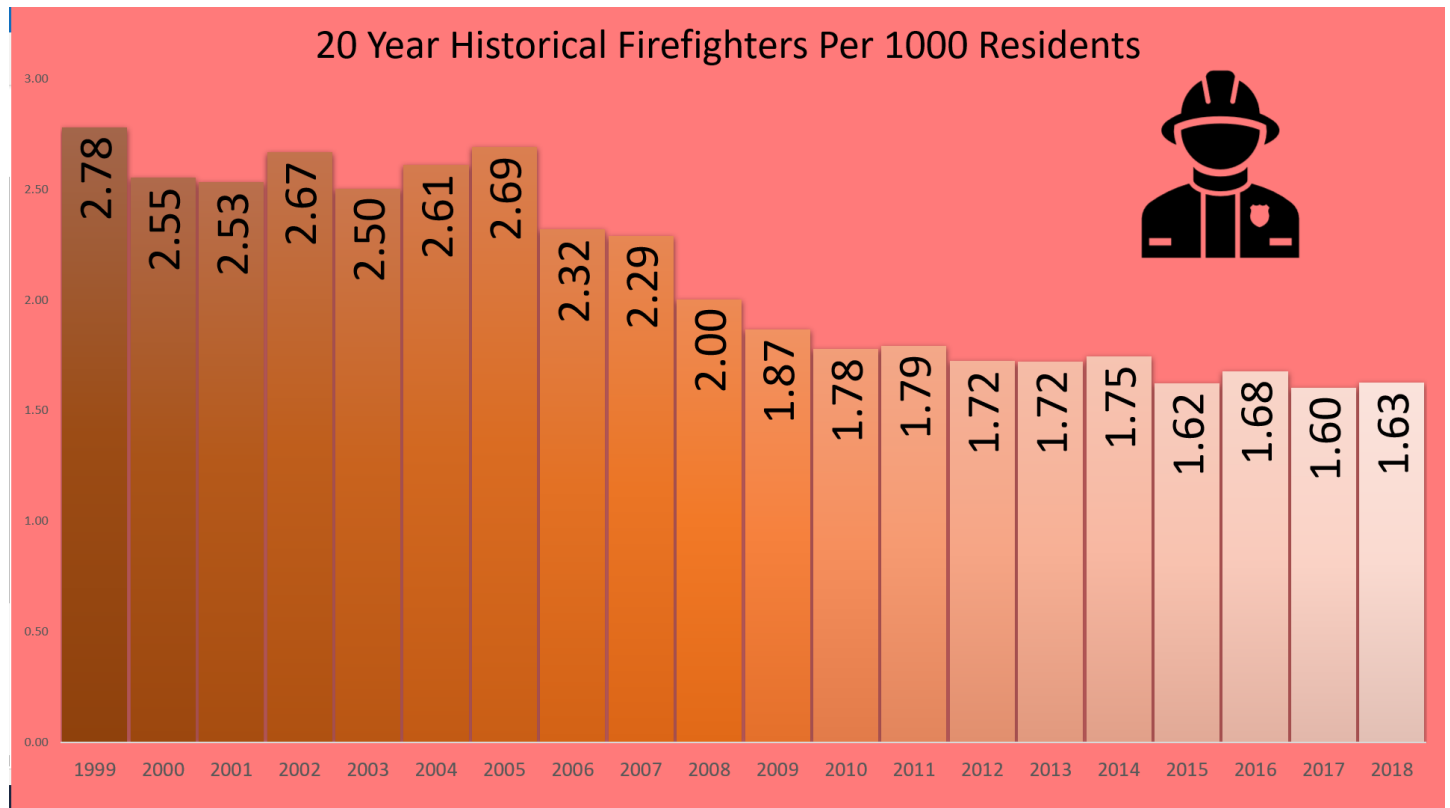


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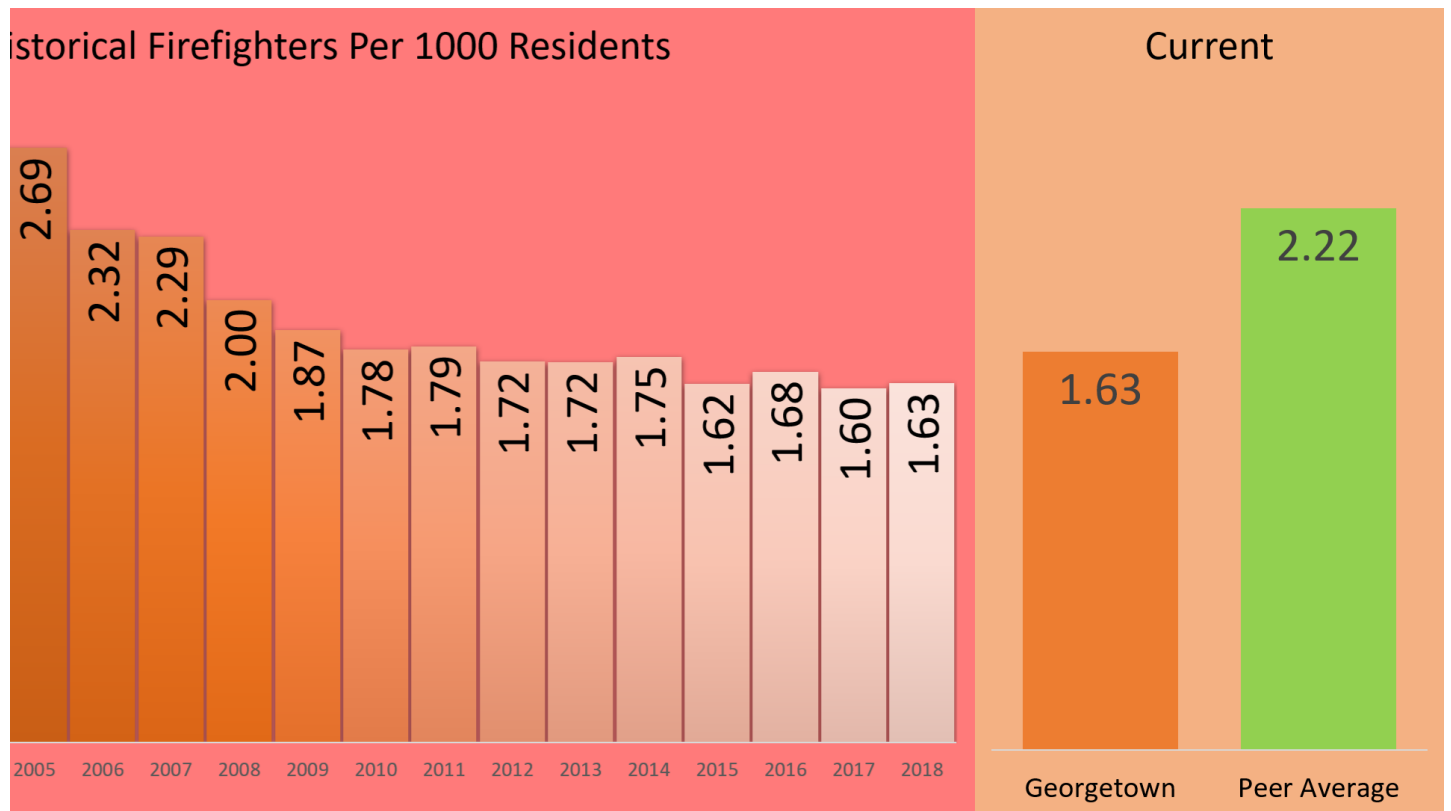


Slide 13

A similar disparity exists in the Georgetown Fire Department. The number of firefighters per 1,000 residents has declined to 58% of 1999 levels. At 1.63 firefighters per 1,000 residents, Georgetown falls 20 firefighters short of its peers' average. It would cost the City an additional \$1.5 million annually to hire enough firefighters to meet the standard set by its peers.

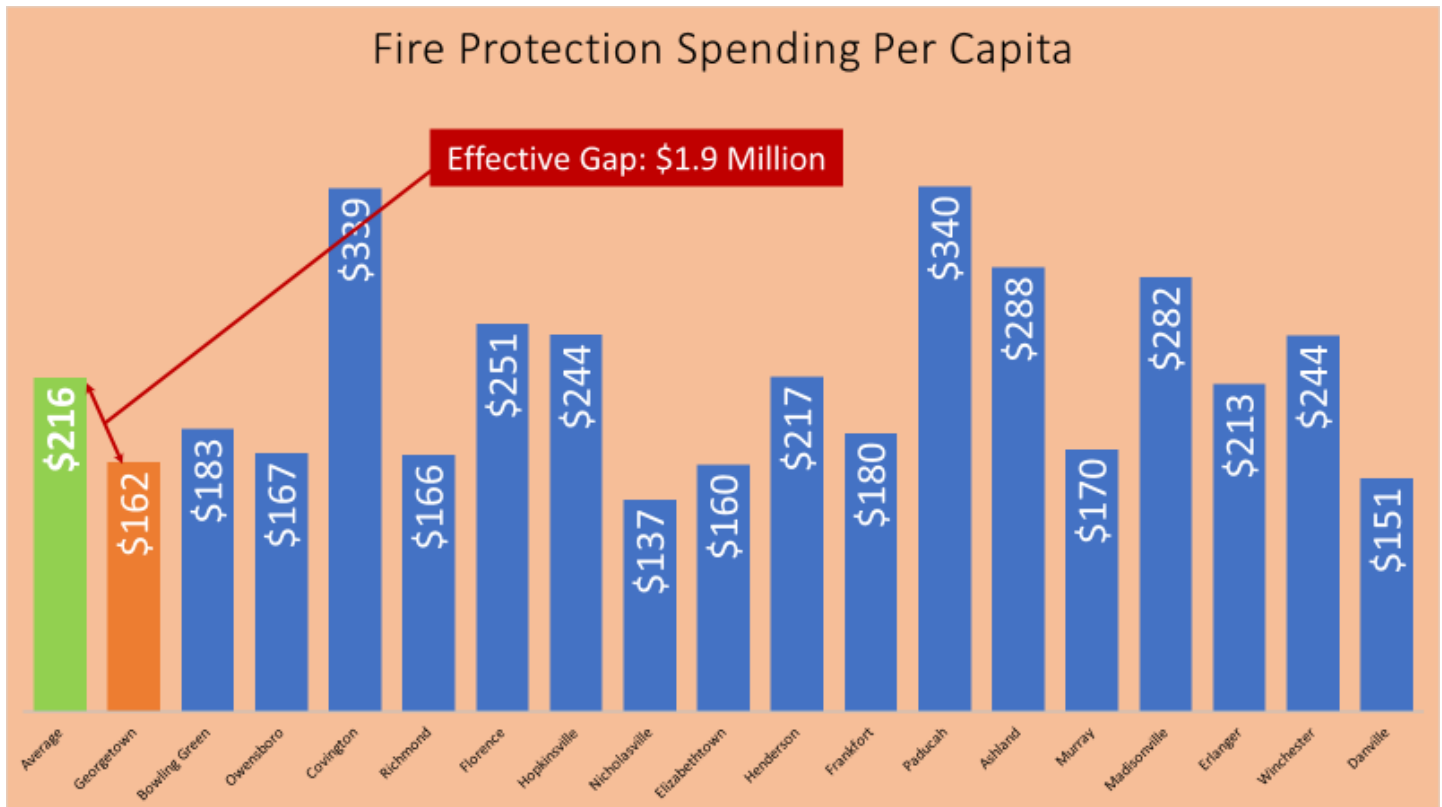


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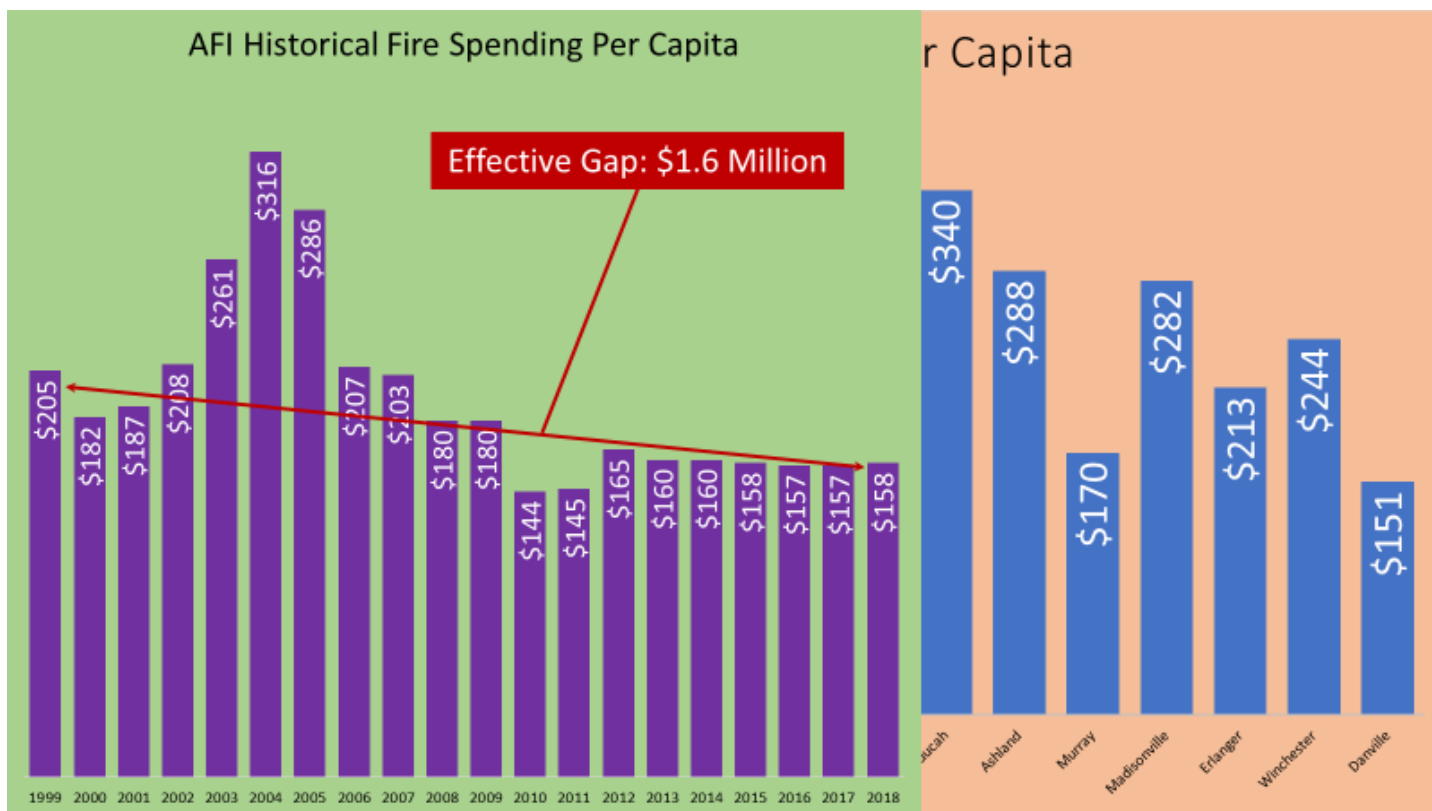


Slide 14

The City spends \$54 per capita less than on fire protection than its peers' average. It would have to spend \$1.9 million more annually to close this gap. Adjusted for inflation, the City spends \$49 less per resident on fire protection than it did 20 years ago, creating a gap of \$1.6 million annually.

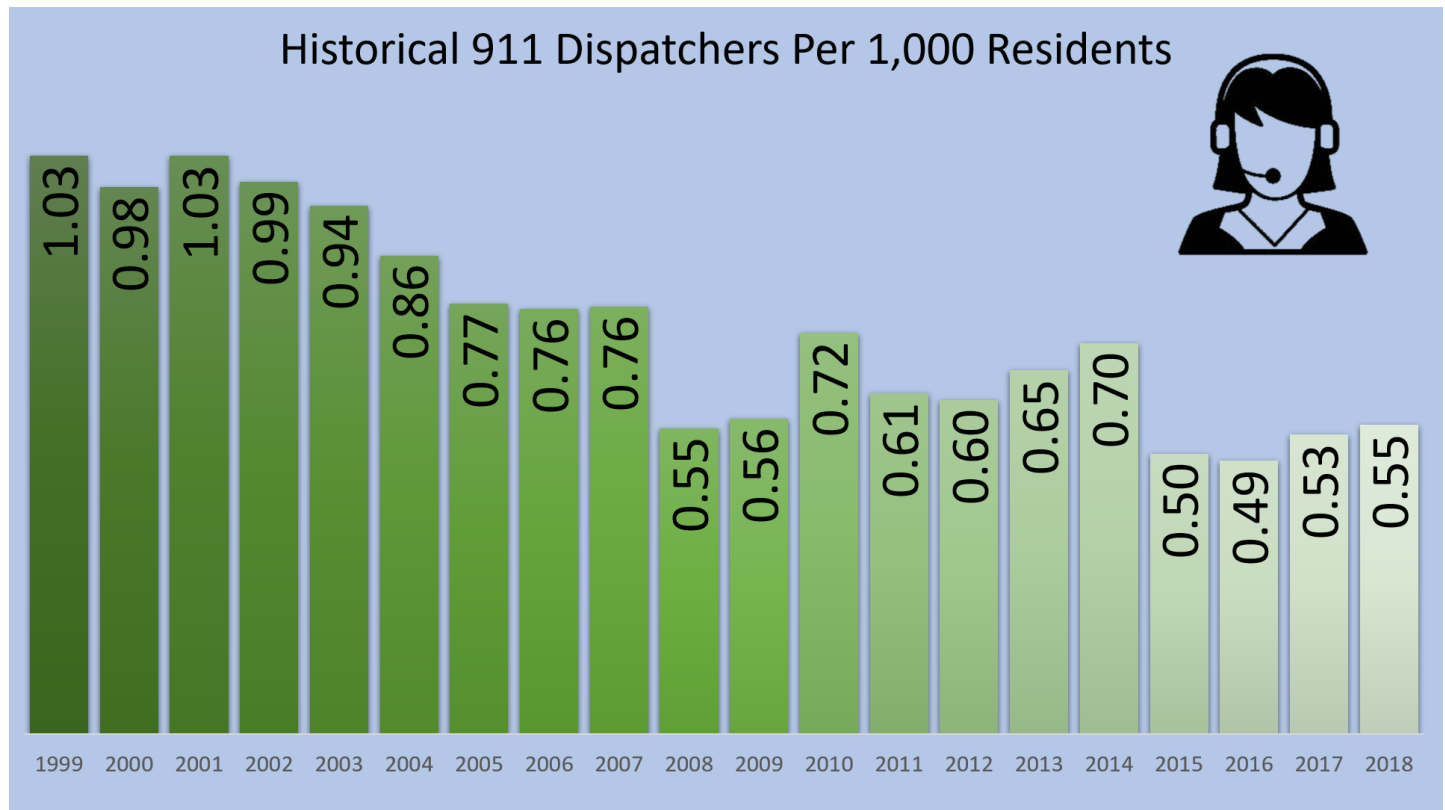


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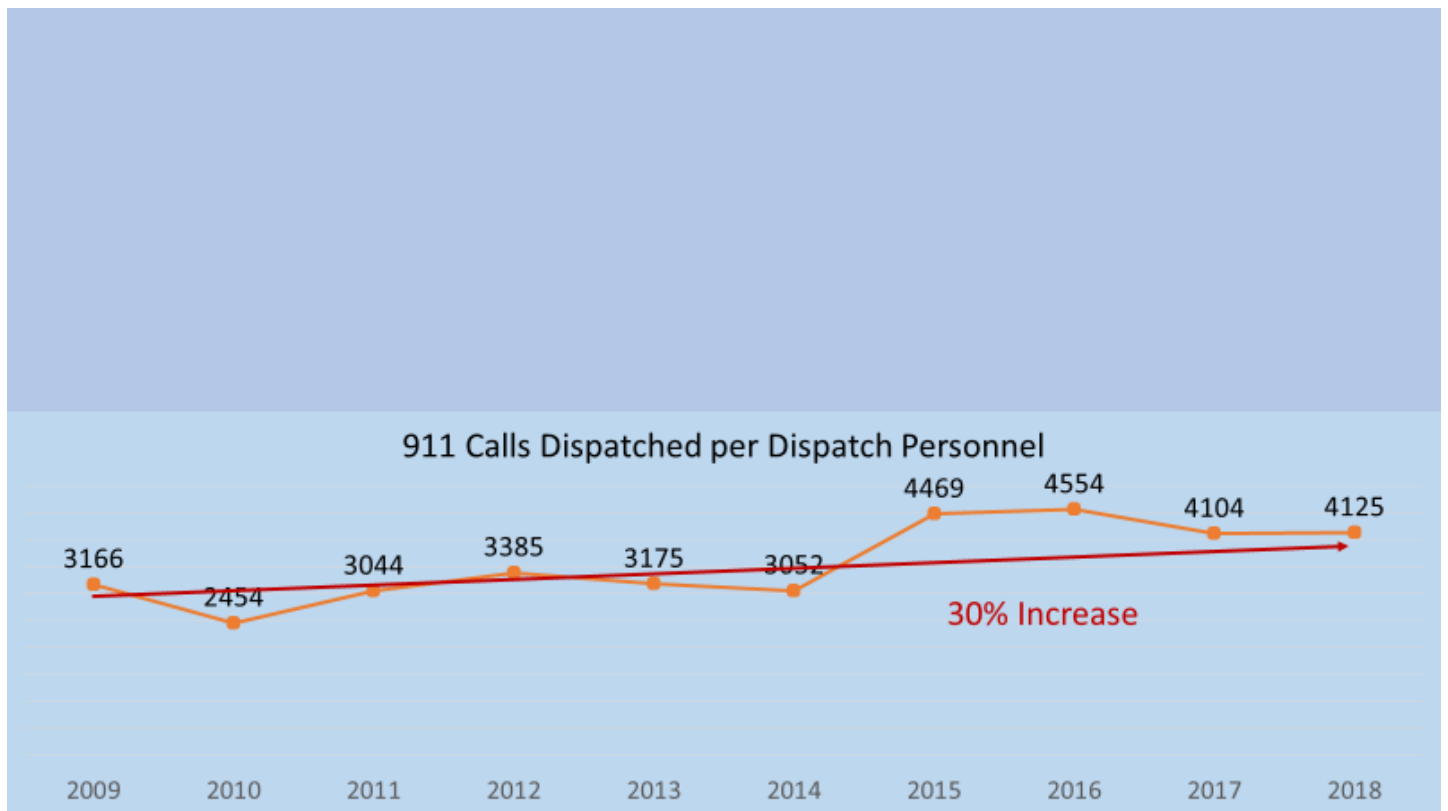


Slide 15

The number of 911 dispatchers per 1,000 residents has also been cut in half in the last 20 years. In fact, the department has 3 fewer dispatchers today than it did in 2006. The number of calls per dispatcher is up 30% over just the last 10 years.

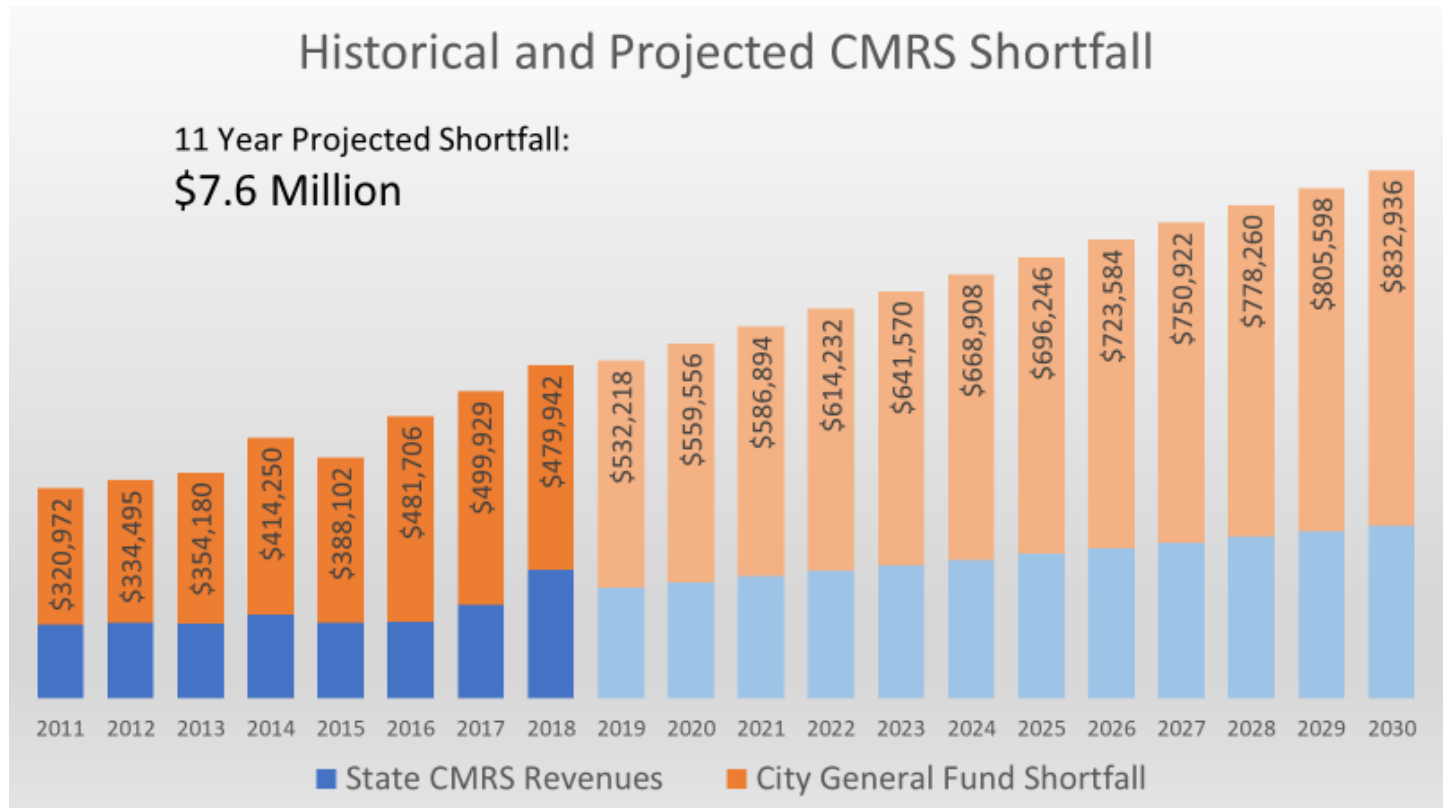


Slide 15 Cont.



Slide 16

State CMRS funds fall far short of the cost to run 911/Dispatch and will create a \$7.6 million shortfall for the City over the next 11 years.

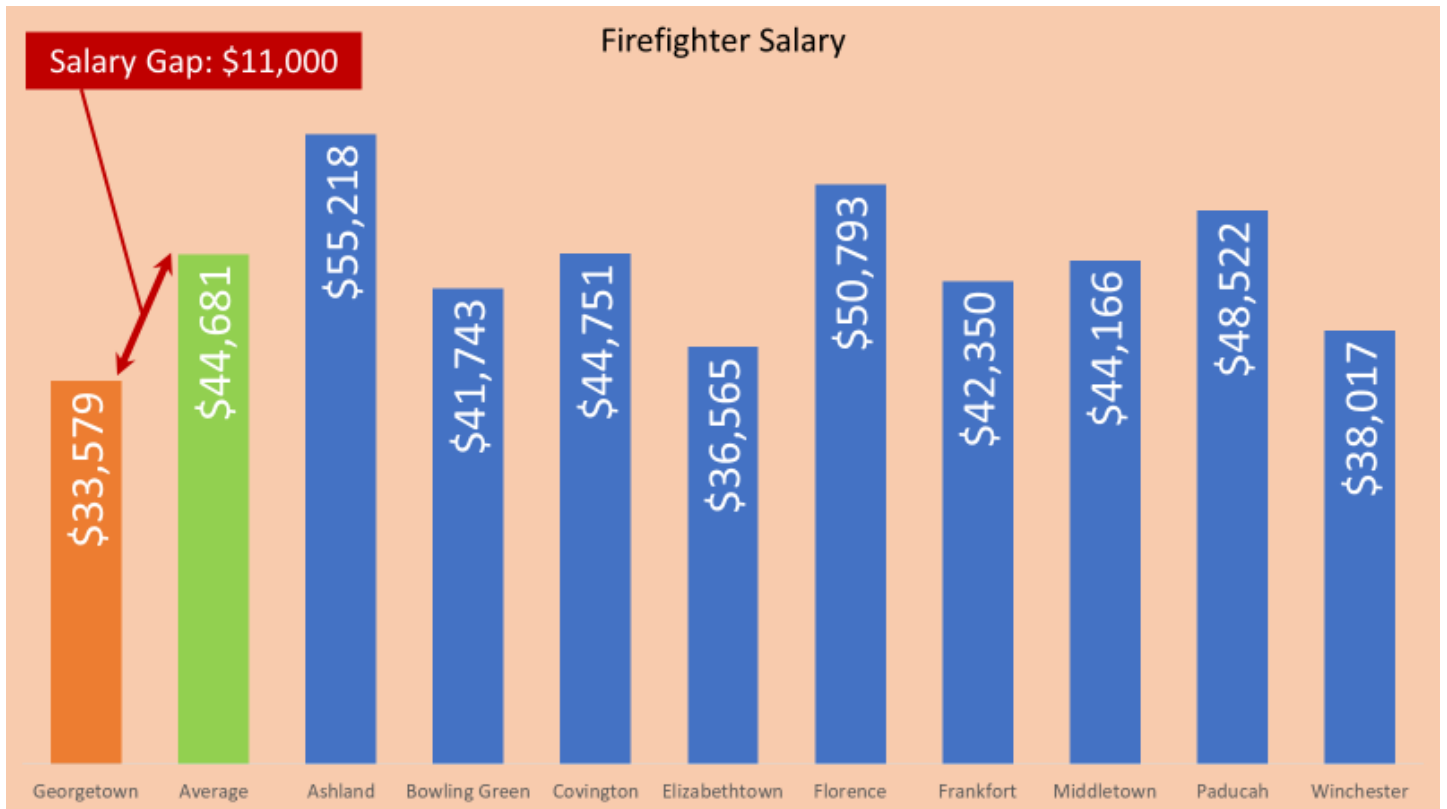


Slide 17

Georgetown not only employs fewer police officers and firefighters per capita than its peers, it also pays them comparatively lower wages. Among eight police departments that have recently advertised for police officer recruits and transfers, the average starting wage for certified peace officers is \$8,600 more than Georgetown with competitive or better benefits. Several jurisdictions pay more for experienced or specialized lateral hires, unlike Georgetown, which pays the same to a two year officer as a twenty year veteran. The story is similar for firefighters, where Georgetown lags the peer average by \$11,000.

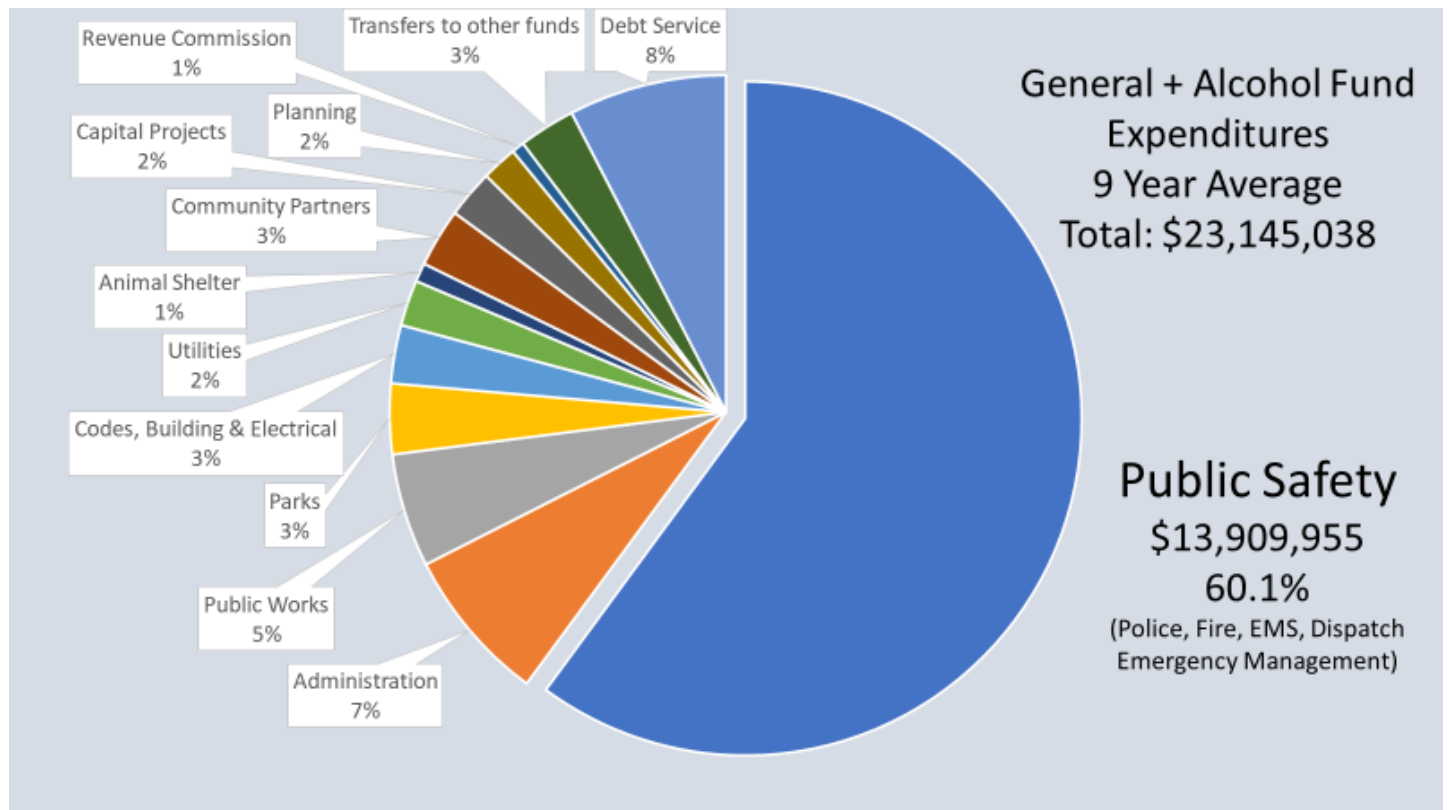


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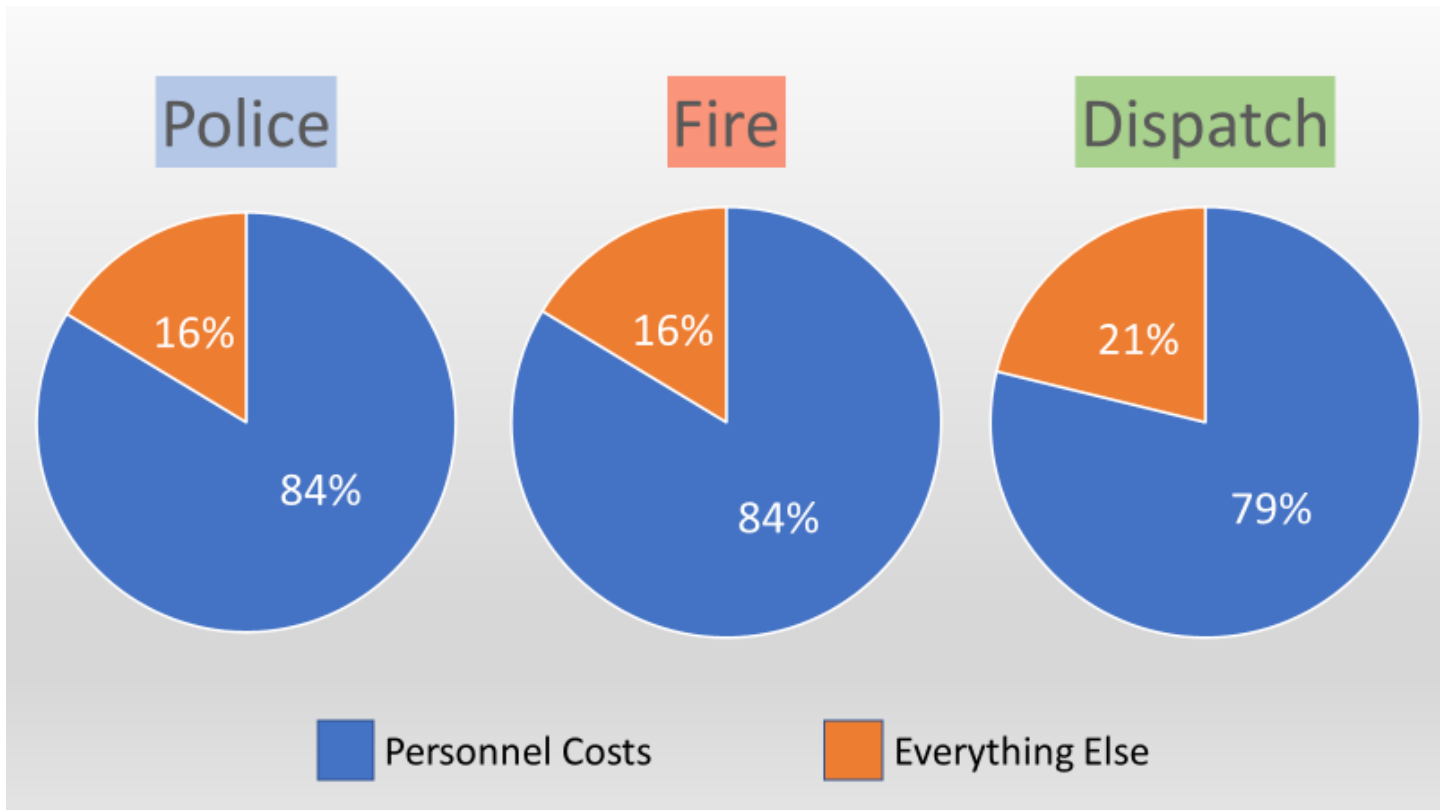
Slide 18

Public safety comprises over 60% of the City's General Fund plus alcohol regulatory fee spending. No other single category of spending exceeds 8%.



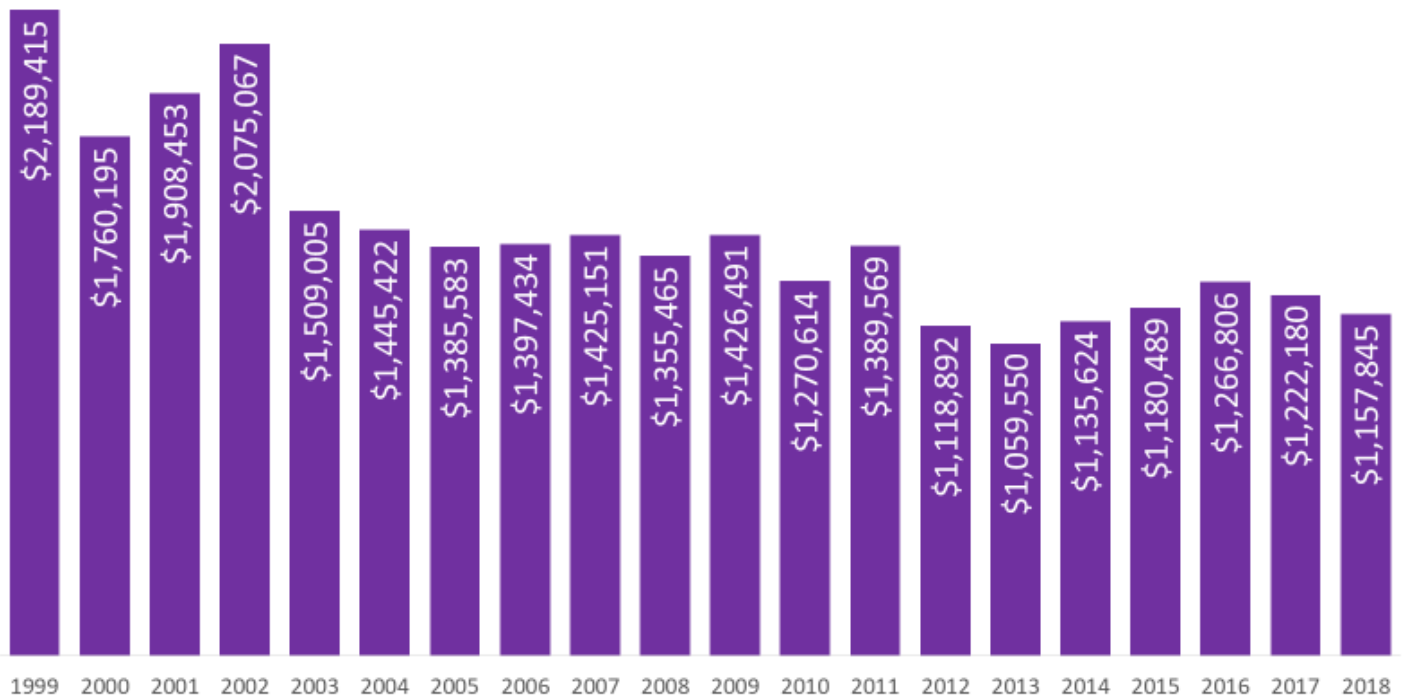
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And among all other public safety costs, personnel expenses account for the great majority.

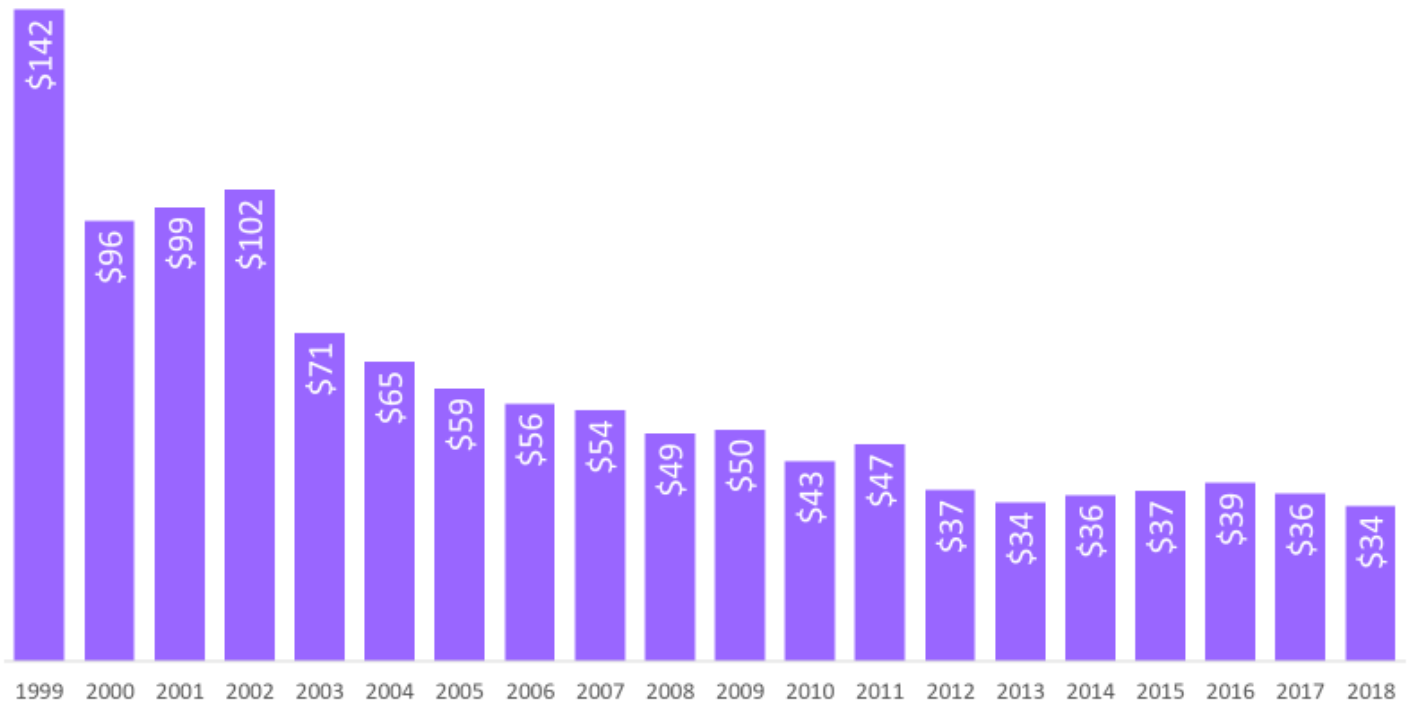


Adjusted for inflation, public works spending is roughly half of what it was 20 years ago. With double the population, that means public works spending per capita is only a fourth of what it was in 1999.

AFI Public Works Spending

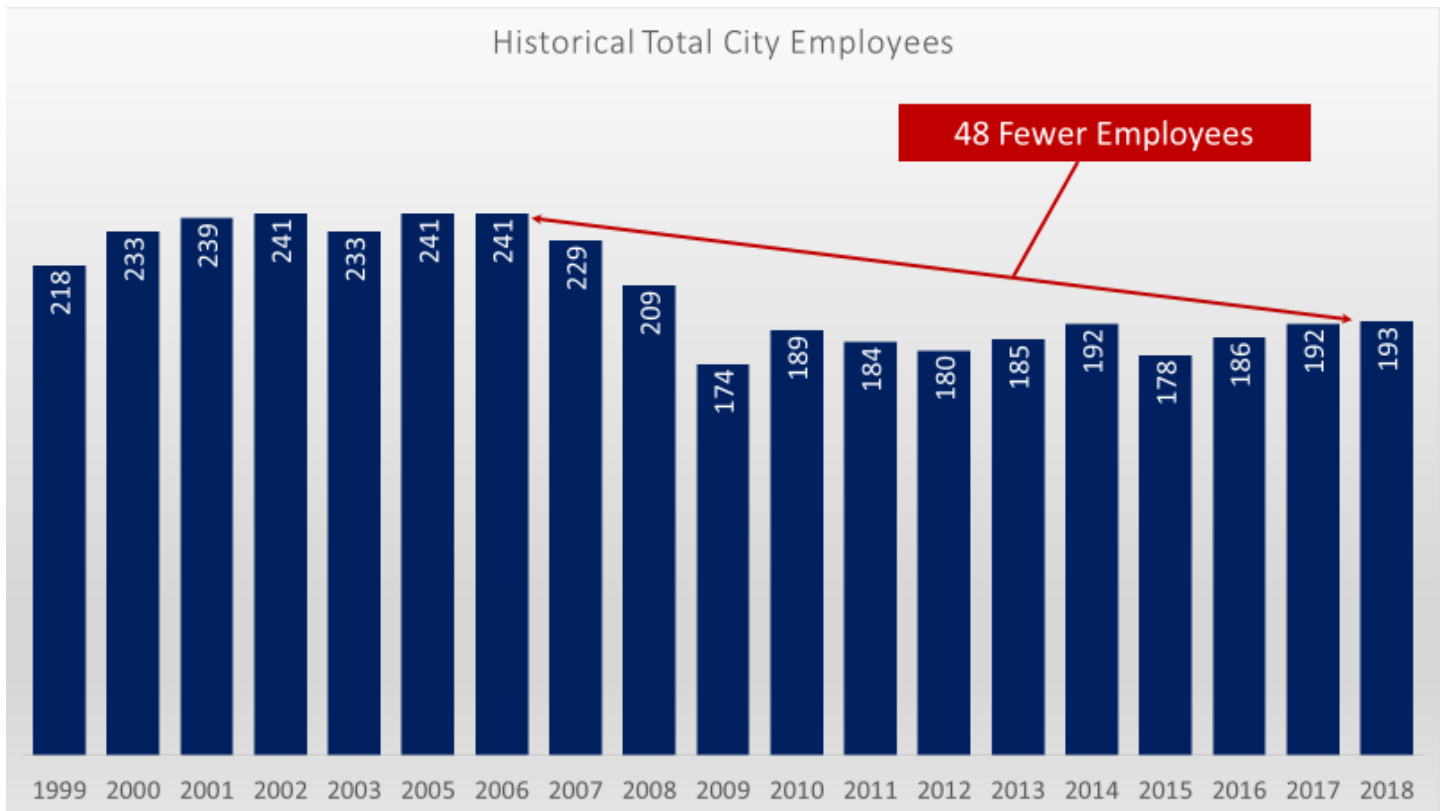


AFI Public Works Spending Per Capita



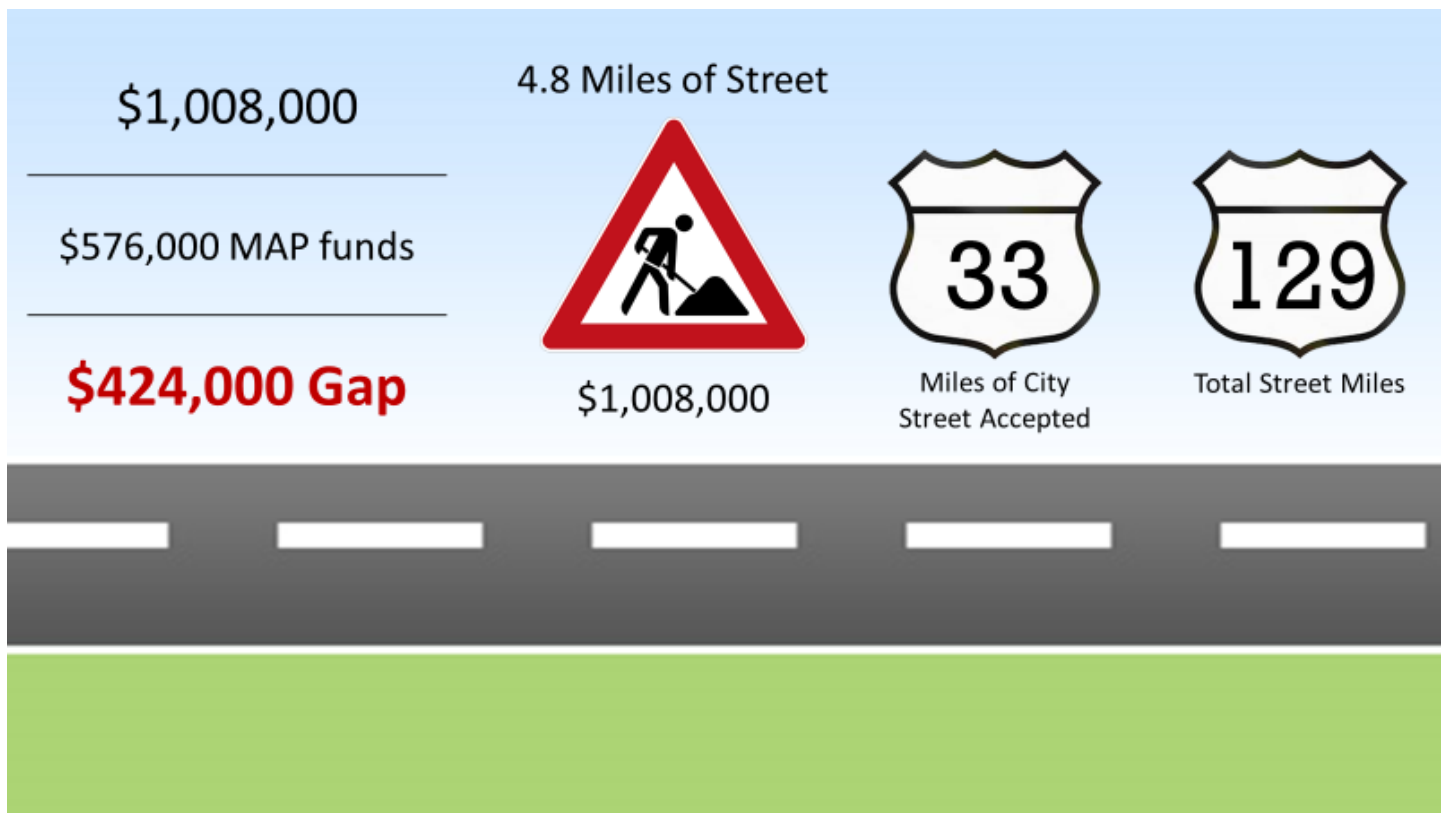
Slide 22

Despite our growth, the City employs 48 fewer employees than it did 15 years ago.



Slide 23

Georgetown has 129 street miles to maintain, 33 of which were added in the last 20 years. To maintain this vital infrastructure on a 20-year schedule costs approximately \$1 million annually. But the City only receives 57% of this amount in MAP funds, leaving an annual shortfall of \$424,000. The City currently paves streets exclusively with MAP funds. If the City does not start supplementing with General Fund dollars, streets will only be restored every 34 years. Over the next 10 years, that will create an additional \$5 million burden to the General Fund.

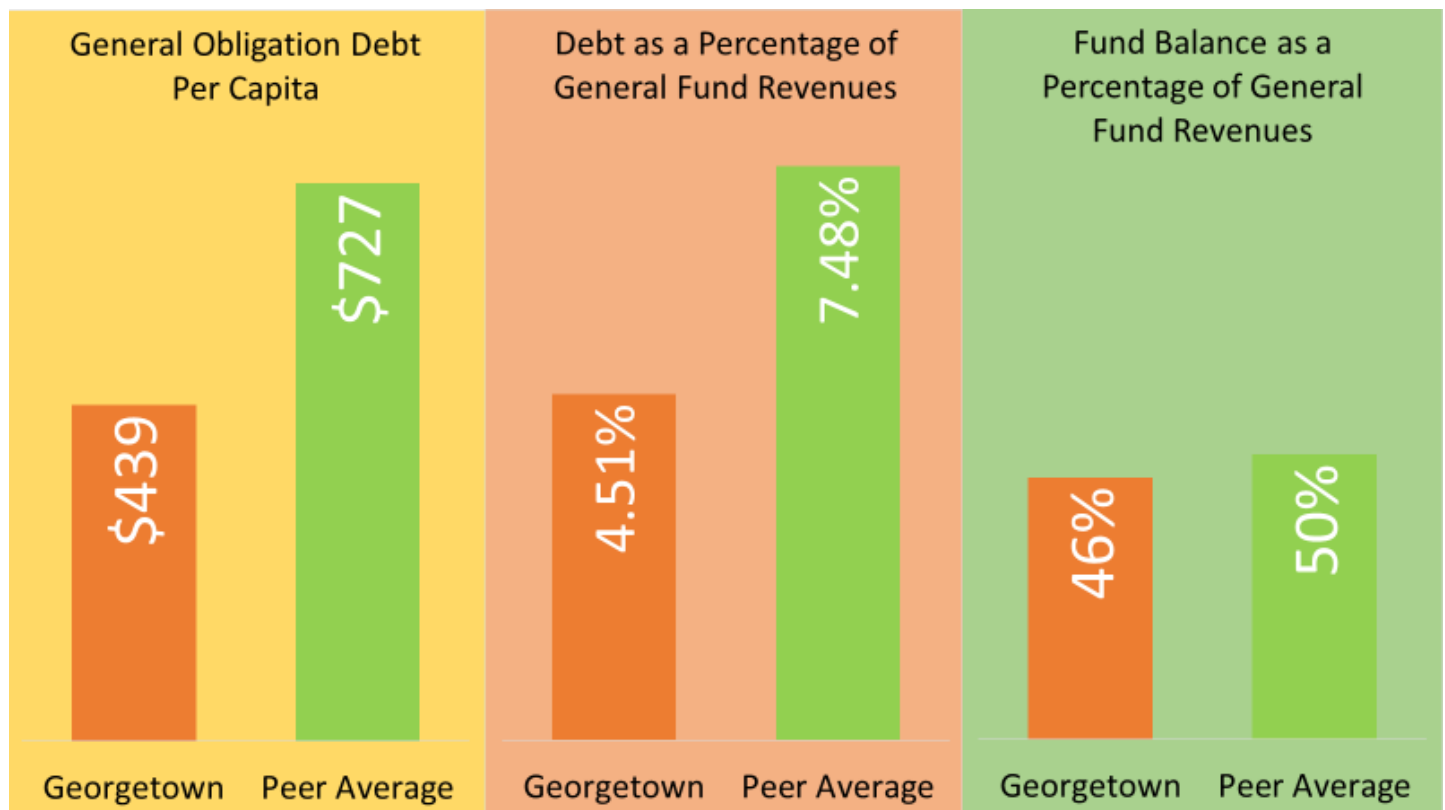


Replace Streets Every ~~20~~³⁴ Years

\$5 Million Cost Increase

Slide 24

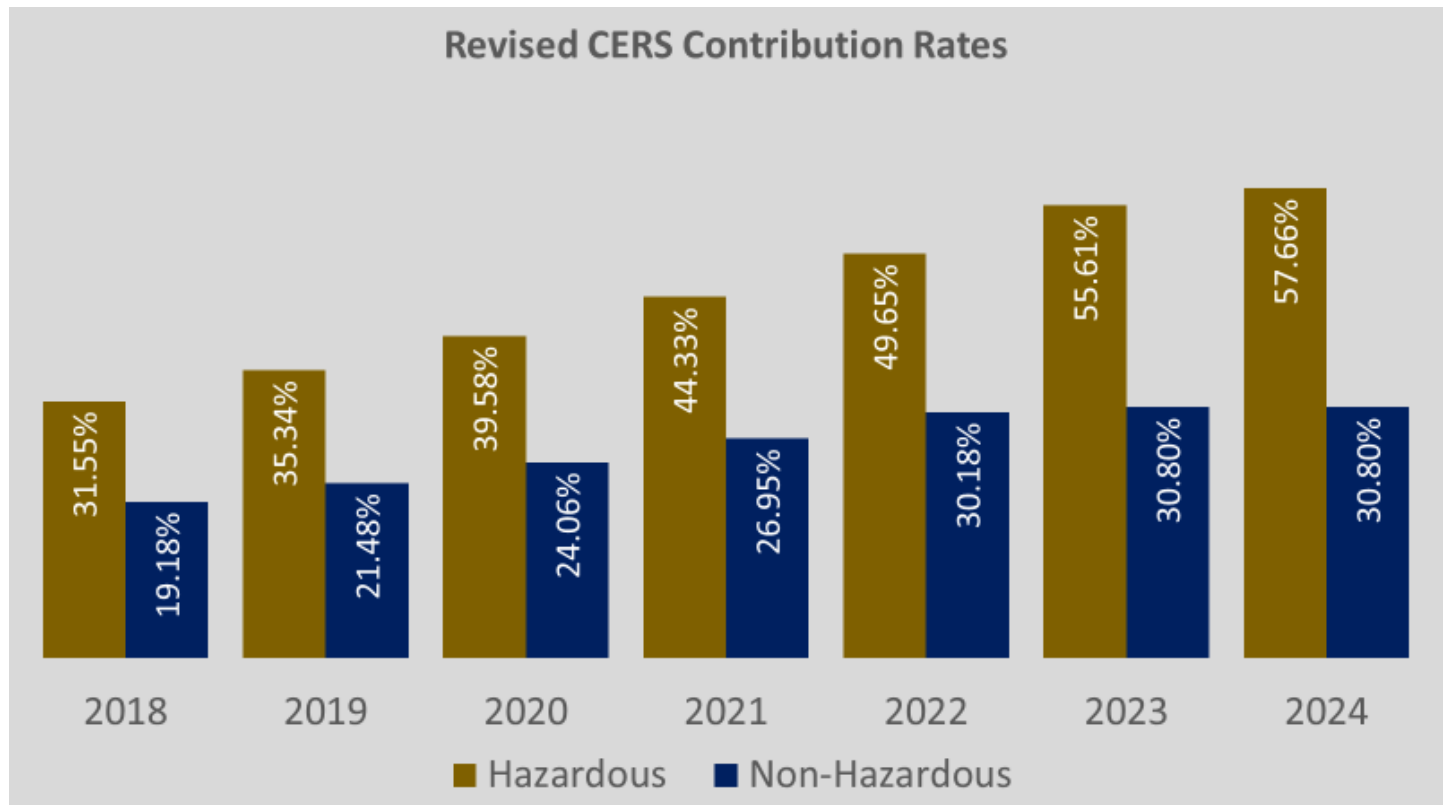
Georgetown's General Obligation debt per capita is significantly lower than its peers' average, as is its debt as a percentage of General Fund revenues. The City's Fund Balance as a percentage of General Funds is slightly below average.



Slide 25

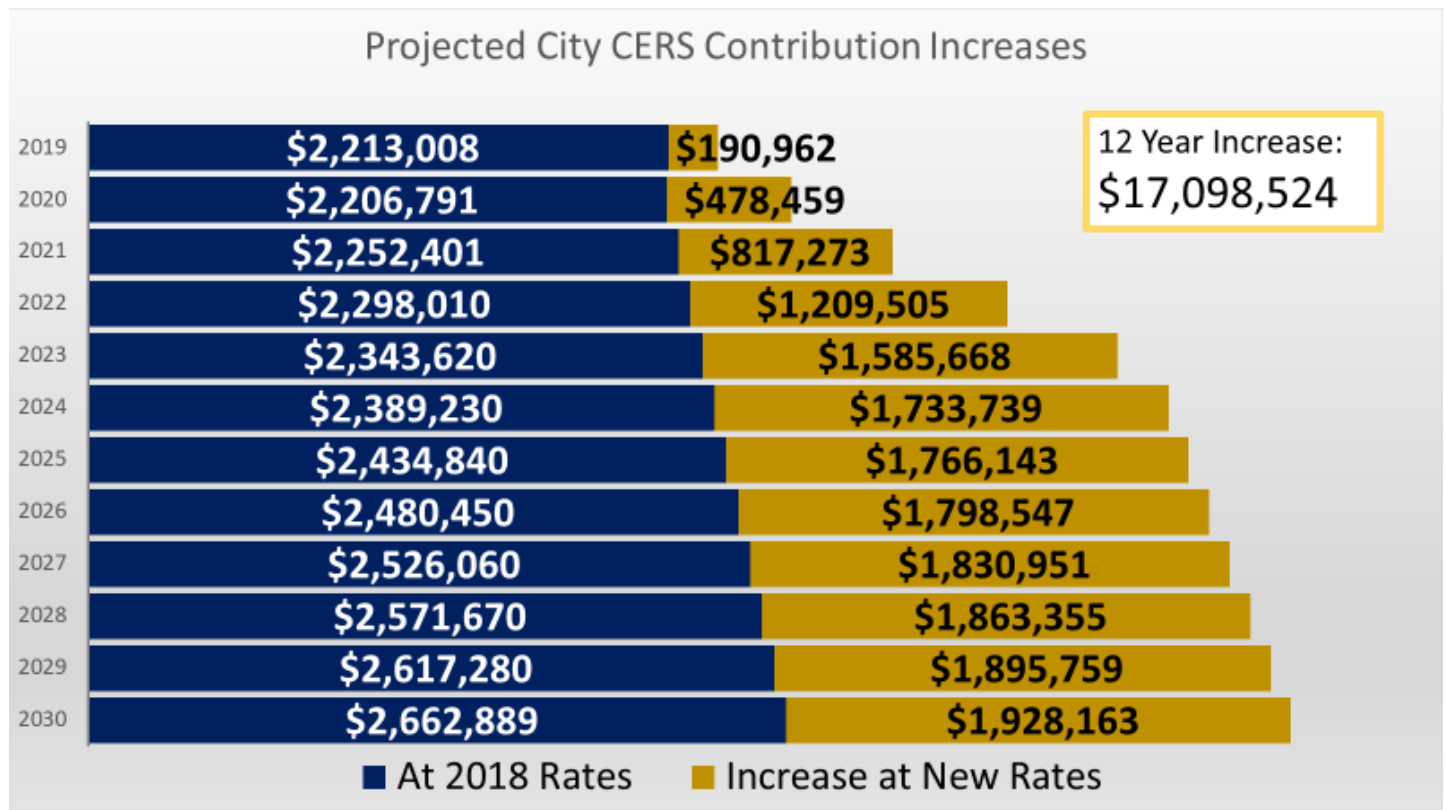
In late 2017, the Kentucky Retirement Systems Board dramatically changed the actuarial assumptions used to calculate the contribution rate for cities. These assumptions will result in a rapid and substantial increase in pension contribution costs for the City over the next five years and into the foreseeable future.

Hazardous duty CERS contribution rates will increase 82% from 2018 to 2024 and Non-Hazardous duty CERS contribution rates will increase 61%.



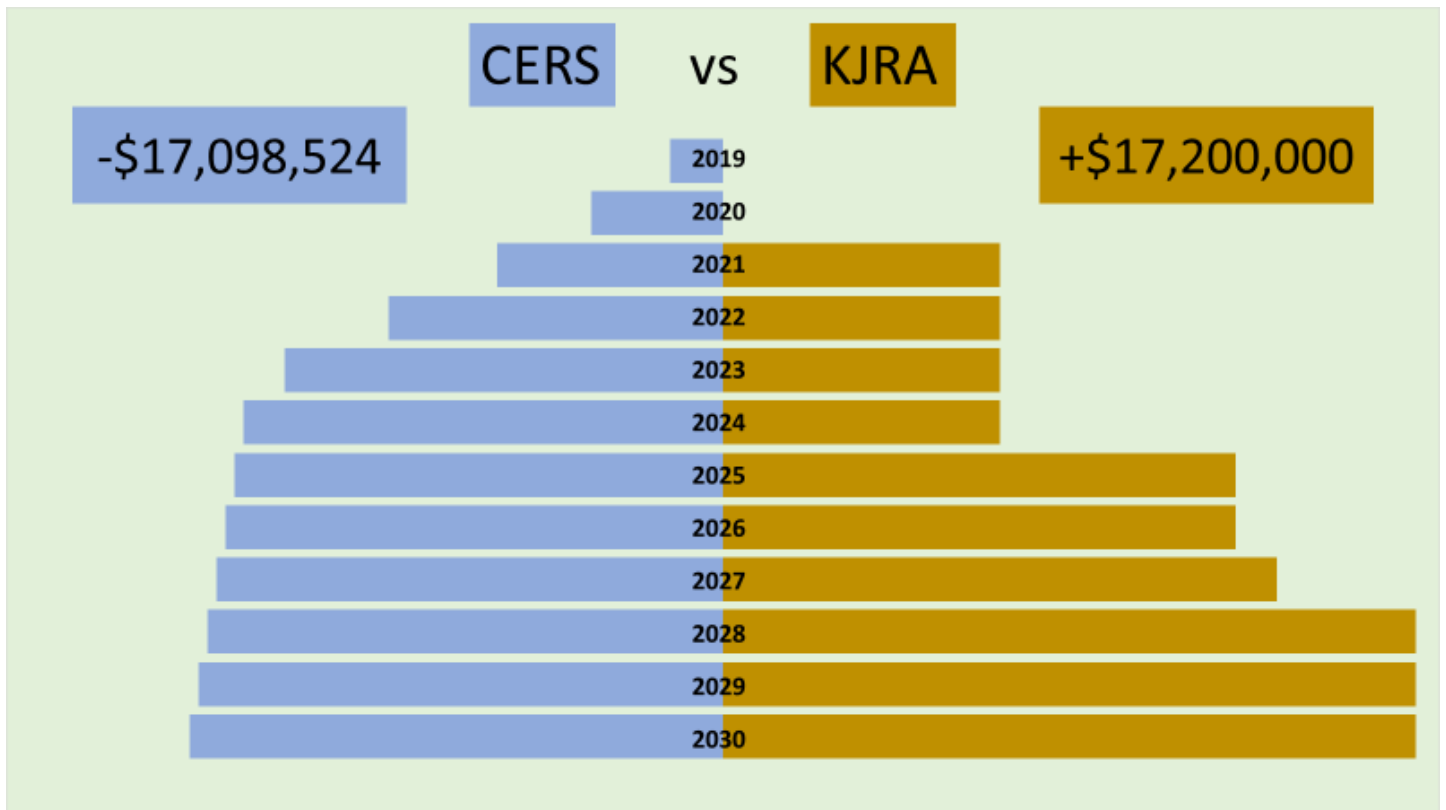
Slide 26

Over the next 12 years, these CERS increases are estimated to increase the City's General Fund obligation by \$17 million.



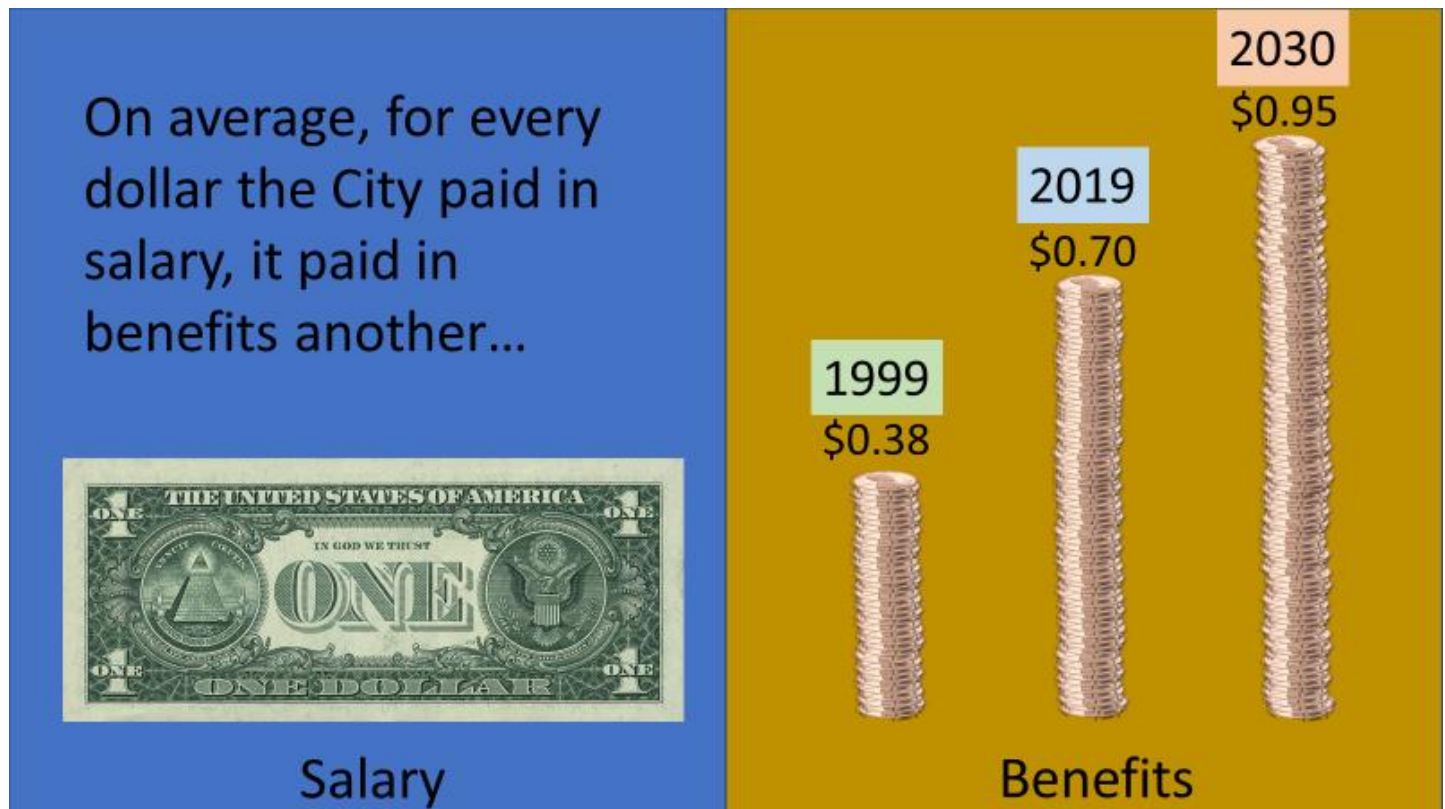
Slide 27

As an illustration of the impact of the state's changes to retirement contributions, notice how the CERS increases will almost completely negate revenue increases from the scheduled reduction of the Toyota Kentucky Jobs Retention Act incentive.



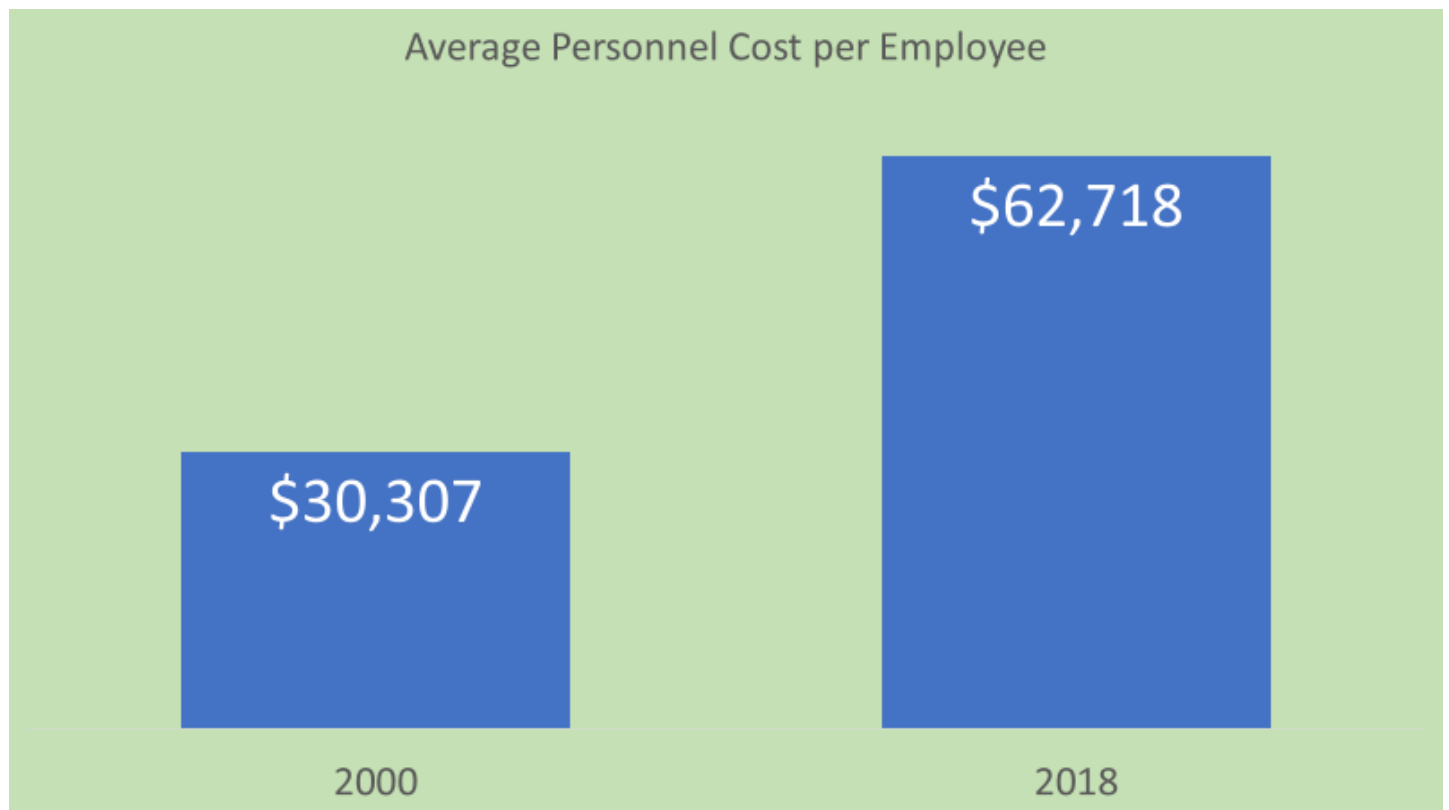
Slide 28

It has become dramatically more expensive for the City to provide employee benefits. In 1999, for every dollar the City spent on salary, it spent, on average, another 38 cents in benefits. That number is higher for hazardous duty employees. Twenty years later, it spends 70 cents per dollar for benefits. The state-mandated pension contribution increases will push that number up even faster. By 2030, it's estimated the city will spend almost as much in benefits as it does salary.

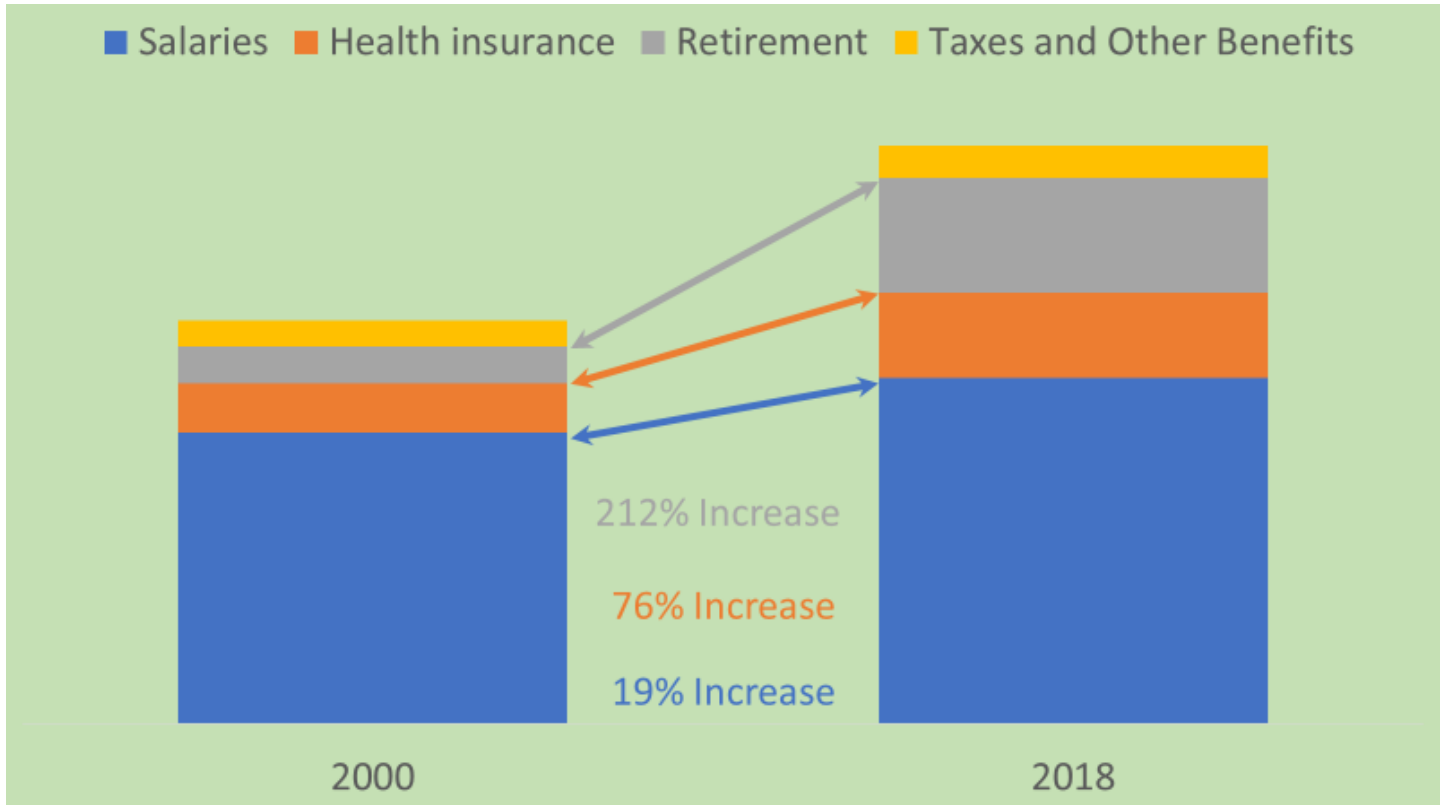
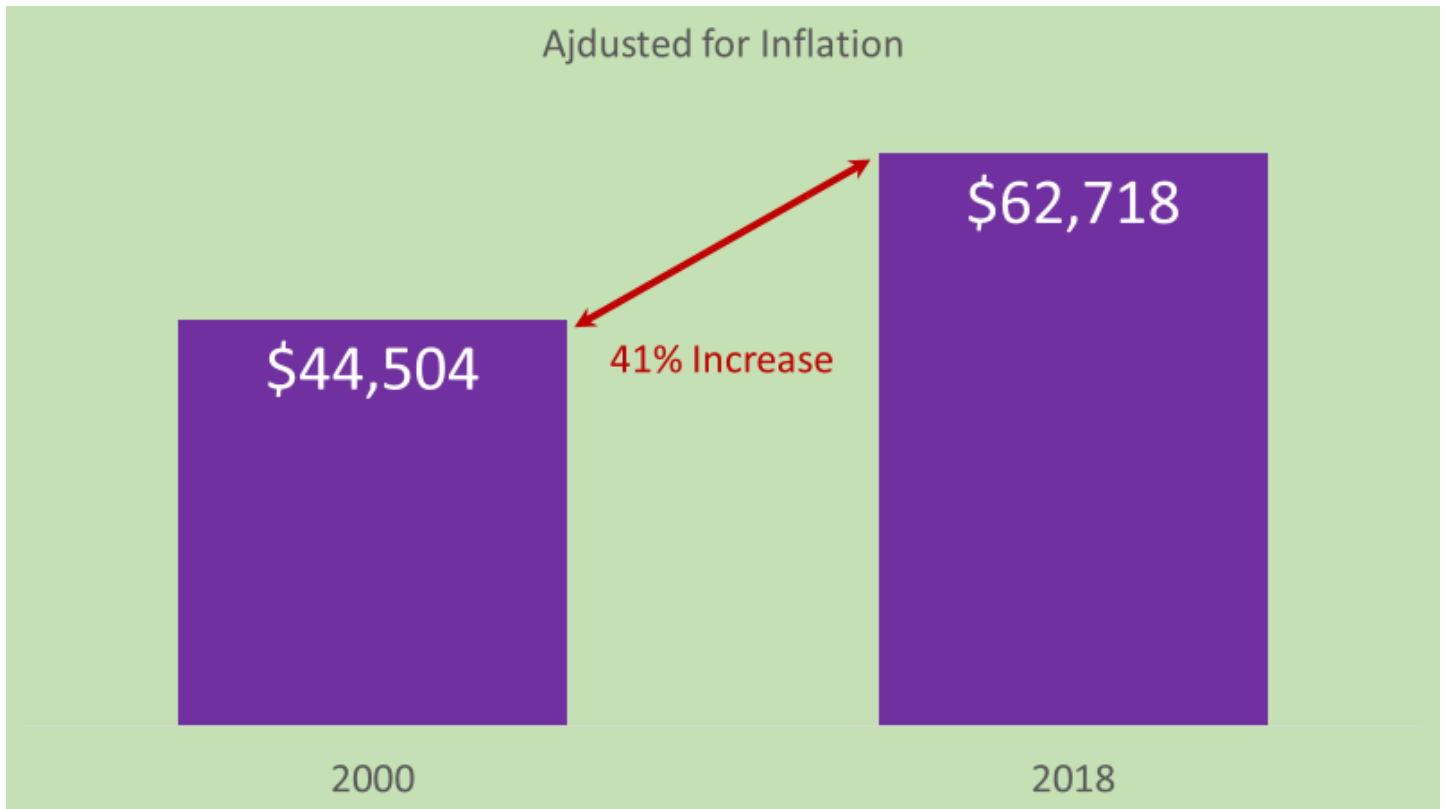


Slide 29

To further illustrate the impact of personnel costs, between 2000 and 2018, the average cost to employ a City employee more than doubled. Adjusted for inflation, it is 41% more expensive to hire an employee than it was 20 years ago. The City's share of employee benefits makes up a disproportionately high percentage of this increase. Adjusted for inflation, average salary per employee increased by only 19%. Health insurance increased by 76%. Retirement contributions increased by an astounding 212%.



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Slide 30

Not funding public safety to keep up with population growth has seriously impacted agency operations. The police department is stretched dangerously thin. At night, as 34,000 residents lock their doors, only 3 police officers and a supervisor are on patrol from midnight to 7 am. Two simultaneous calls is all it takes to completely occupy third shift. As the sun rises, first and second shifts operate solely on incident response. There is no specialized proactive law enforcement such as narcotics and neighborhood safety units. Have you ever wondered why you see more and more drivers running through red lights? Georgetown has not operated a traffic enforcement unit in 10 years, which means little if any radar enforcement, accident prevention or DUI intervention. The number of collisions in the city is up 33% in the last nine years. And there are fewer detectives to investigate serious crimes. The police department not only has the lowest officers per capita of its peers but is also 6 officers short of its authorized strength. In the last 4 years, Georgetown has lost 11 police officers to higher paying jobs in law enforcement and the private sector. That's 20% of the police force. The police department is struggling to attract quality recruits and certified officers. Hiring recruits means paying them a salary for a full year, while they are training, before they can go on duty. And there's no guarantee that recruit will graduate the academy or stay with the City afterwards. Hiring an already certified peace officer has far more advantages, but Georgetown's certified officer salary is not competitive enough to attract enough quality candidates.

34,395 Residents

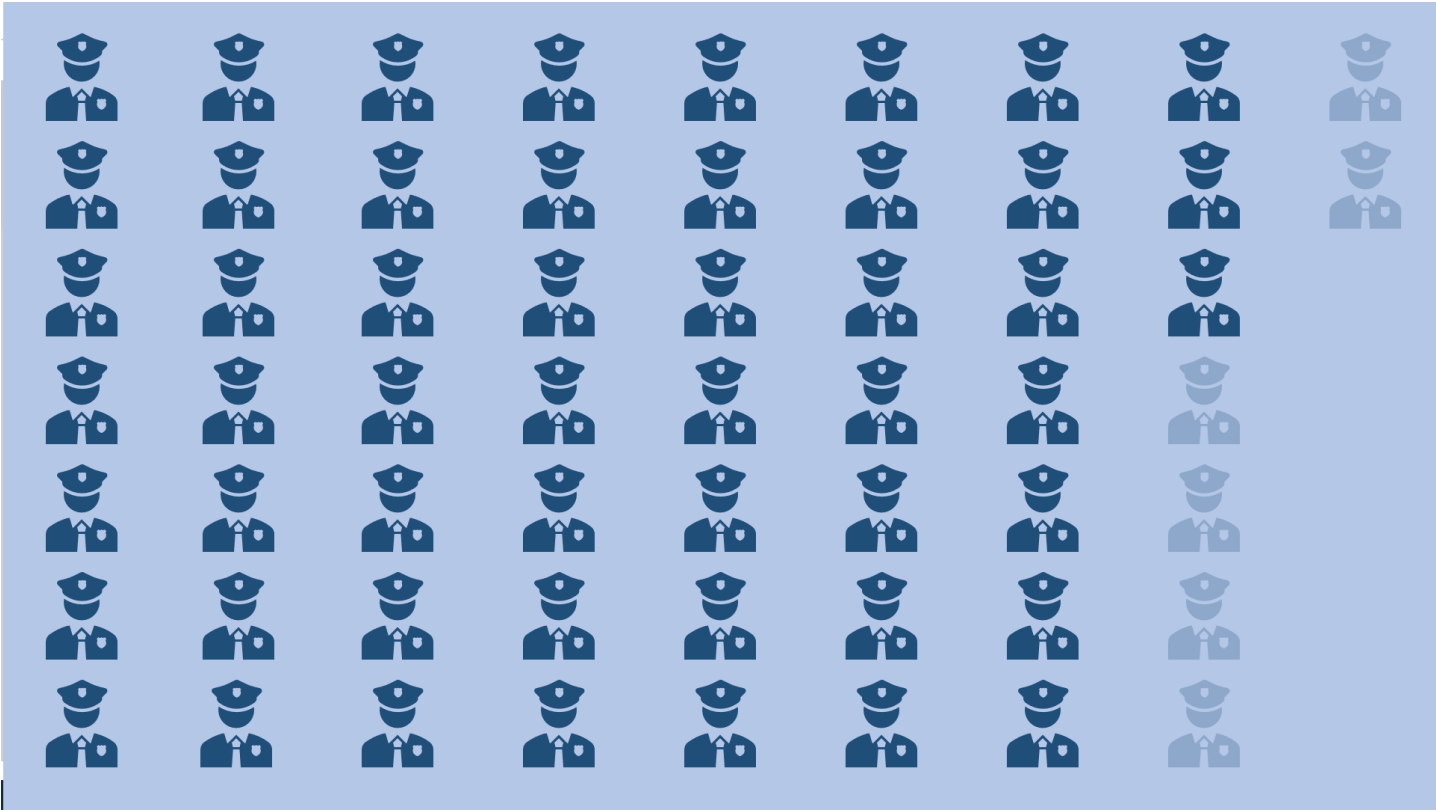
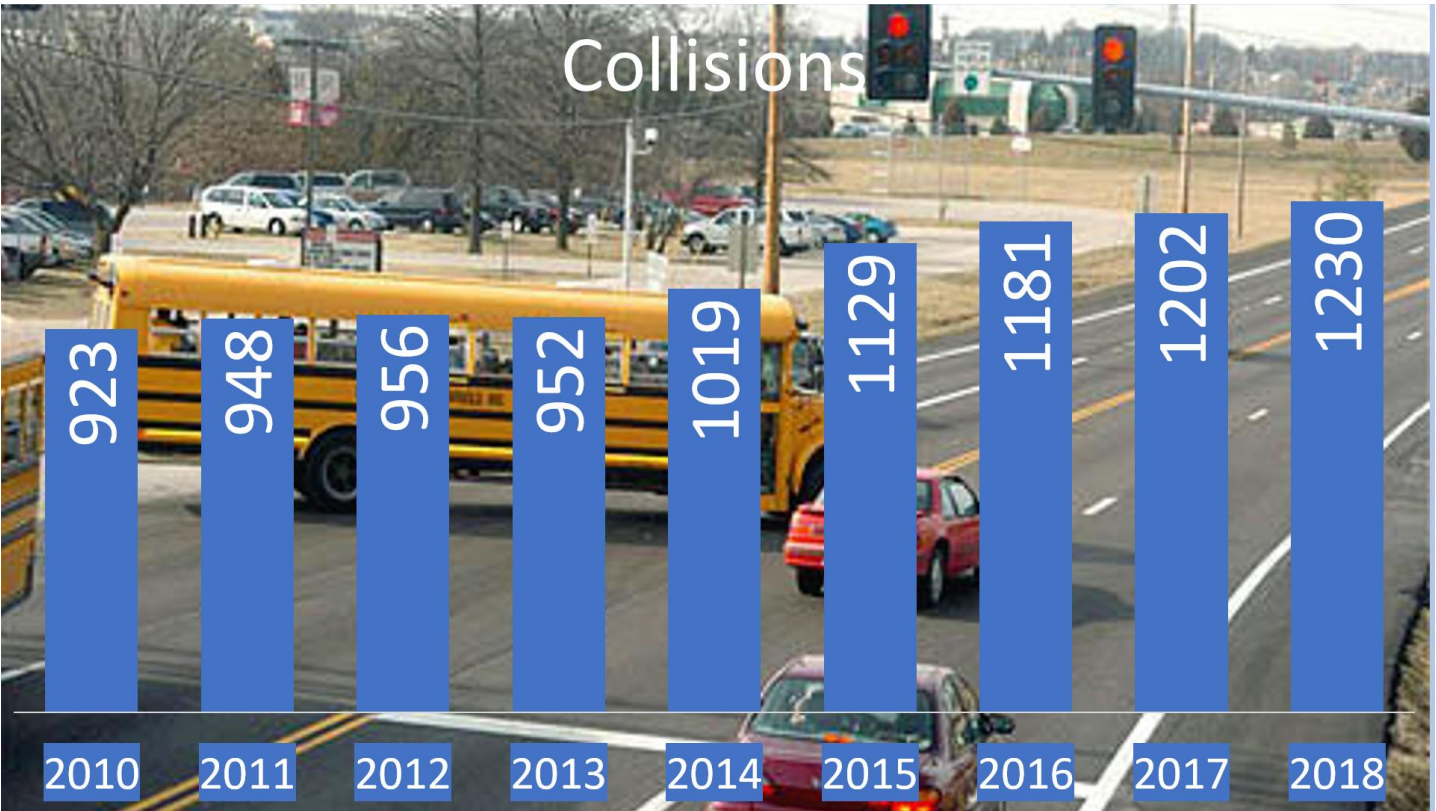
4 Police Officers

Call

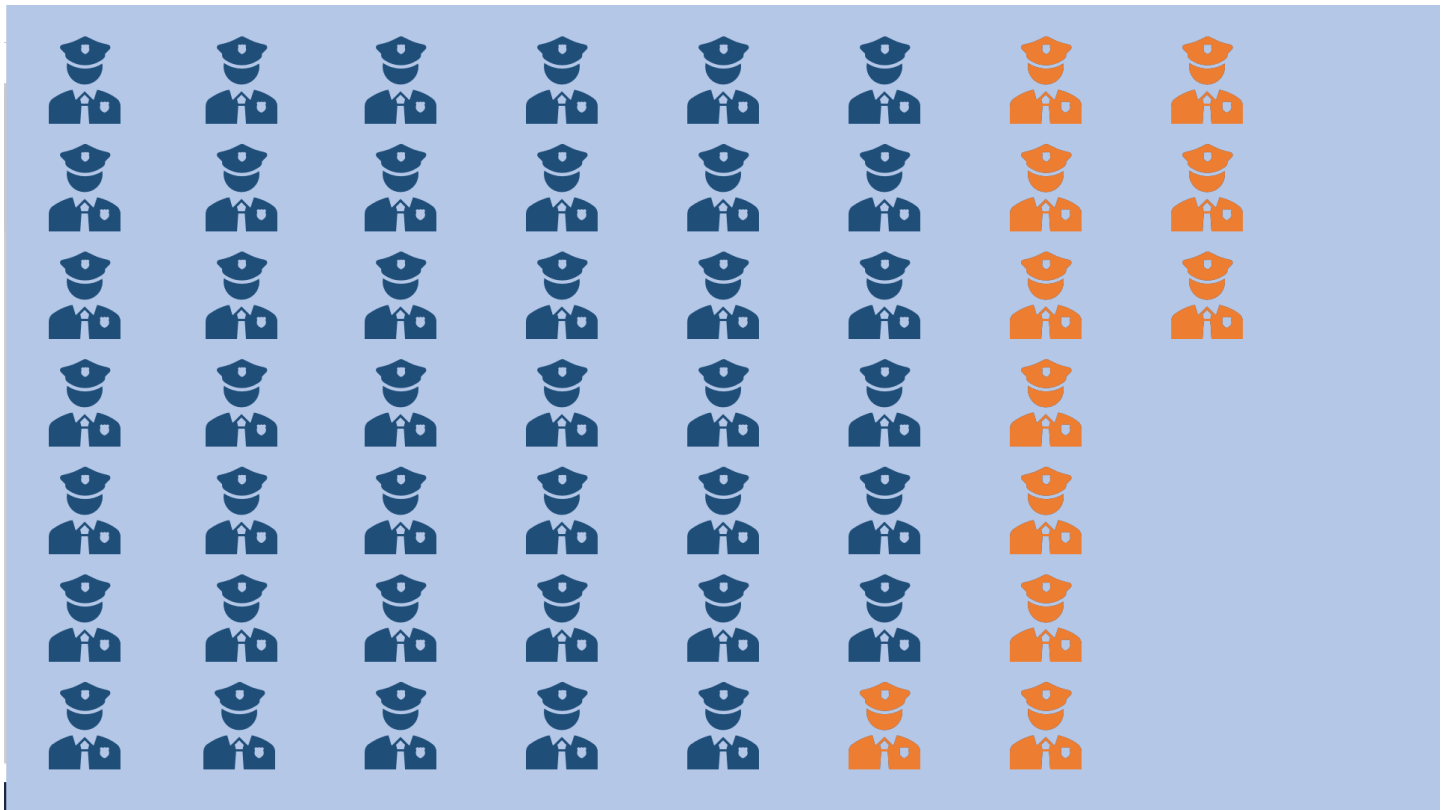
Dispatch

Respond



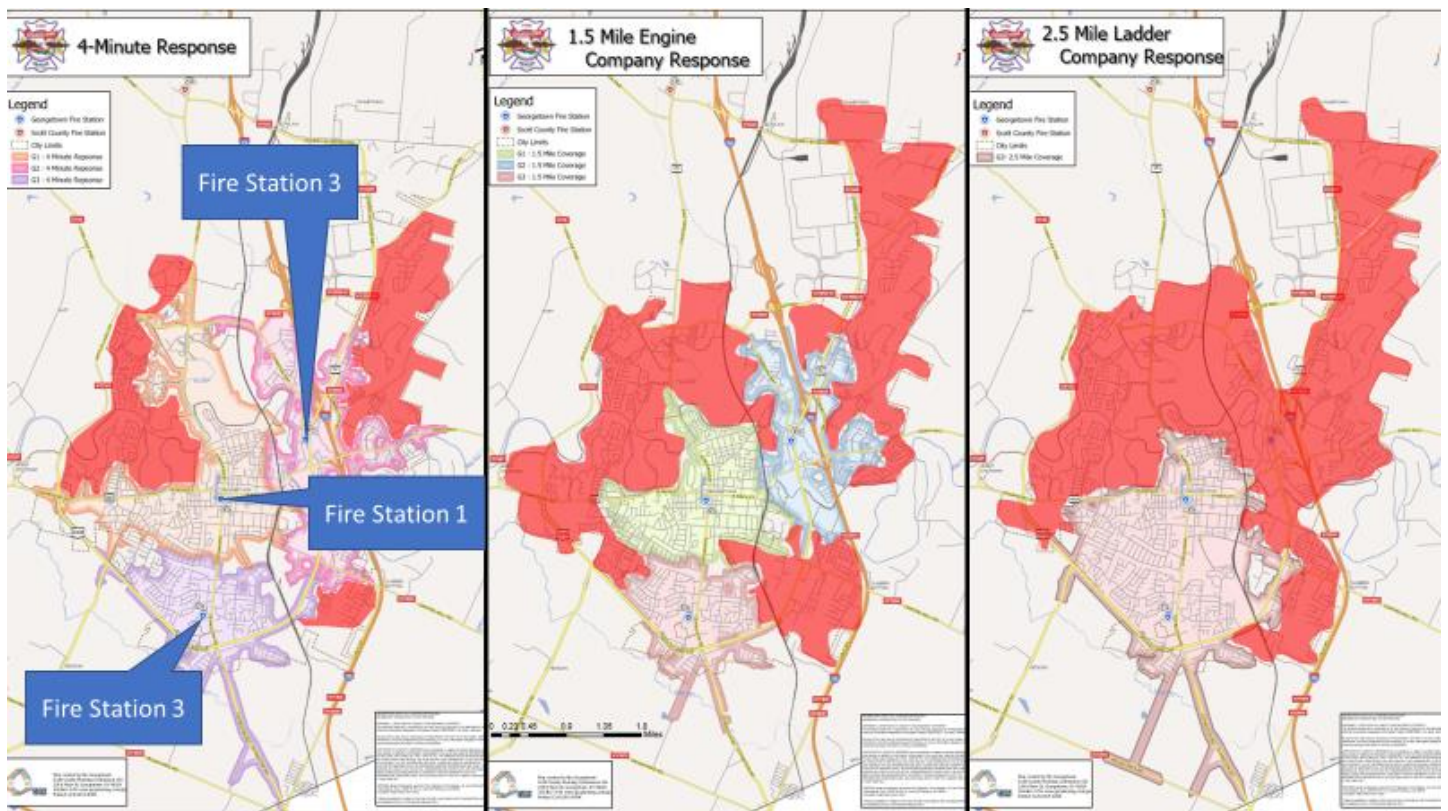


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Slide 31

The fire department is similarly impacted by increasing financial constraints. You may have heard the City will eventually need a fourth fire station. Continued growth on the city's perimeter, particularly the northwest and northeast, is testing the limits of the fire department's response capacity. Nationally recognized fire protection standards require minimum fire company response times, and the City already falls short. Constructing and equipping a fourth fire station is estimated to cost \$5 to \$8 million. The fire department is also six firefighters short of its authorized strength and has recently lost recruits and firefighters to other jurisdictions with higher pay.



Slide 32

Budget shortages and increasing financial constraints will continue to hamper the City's ability to complete vital capital improvements, such as the much-needed renovation of City Hall, improving Old Oxford Road and the construction of Lexus Way extended, installation of streetlights in dark intersections, improving downtown's 100 year old stormwater infrastructure, increasing downtown parking, and beautifying the City.



City Council Members
Polly Singer Eardley
David Lusby
Tammy Lusby Mitchell
Karen Tingle-Sames



City Council Members
Mark Showalter
Todd Stone
Connie Tackett
Marvin Thompson

Tom Prather, Mayor

A Report on City Revenues, Spending, Employment, and Census Statistics and 10 Year Budget Outlook Winter 2020



INTRODUCTION	I
FINDINGS	1
Major Finding 1: The City is experiencing rapid growth, and its demographics and labor base are shifting.....	1
Supporting Finding 1.1: Georgetown’s population has grown by 151% over the last 24 years.....	1
Supporting Finding 1.2: Georgetown experienced rapid incorporated area growth in the 1980s and 1990s, but that growth has since slowed.	2
Supporting Finding 1.3: Georgetown’s Population Density has increased by 41.5% since 2000.	3
Supporting Finding 1.4: Scott County’s population is becoming more urbanized.	4
Supporting Finding 1.5 Georgetown is becoming a wealthier community. In 20 Years, the Real Median Household Income has increased by almost \$20,000.....	5
Supporting Finding 1.6: The percentage of low-income households in Georgetown is significantly below average.	6
Supporting Finding 1.7: Georgetown’s percentage of population living in poverty is significantly below average.	7
Finding 1.8: On average, between 2002 and 2017, 85% of the employed residents added to Georgetown worked their primary job outside Georgetown.....	8
Supporting Finding 1.9: Georgetown’s population growth is primarily from residents who work elsewhere.	8
Supporting Finding 1.10: More of Georgetown’s employed residents work in Lexington than in Georgetown. This was nearly the opposite 15 years ago.	8
Supporting Finding 1.11: 78.3% of the primary jobs in Georgetown are filled by non-residents.	8
Supporting Finding 1.12: 72.7% of Georgetown’s employed residents work outside Georgetown.	8
Supporting Finding 1.13: More of the City’s residents are working.....	8
Supporting Finding 1.14: The number of payroll tax revenue producing jobs per resident has substantially decreased over the last 15 years, resulting in staggering revenue losses.	10
Major Finding 2: Revenues per capita are in steep decline.	11
Supporting Finding 2.1: General Fund Revenues per Capita have significantly declined over the last 20 years.	11
Supporting Finding 2.2: General Fund spending per capita has significantly declined over the last 20 years.....	13
Supporting Finding 2.3: Payroll tax revenues comprise roughly half of General Fund Revenues.....	14
Supporting Finding 2.4: Payroll tax revenues per capita are significantly lower than historical levels, are lower than their historical average, and are in sharp decline.	15
Supporting Finding 2.5: Payroll Tax Revenue Per Job is historically increasing.	16
Supporting Finding 2.6: Payroll tax revenues have historically accounted for half of the City’s General Fund revenues, but that trend is decreasing.	16
Supporting Finding 2.7: AFI General Fund revenues over the last 20 years are flat to slightly negative.	18
Major Finding 3: General Fund revenues per capita are significantly below average for comparable-sized cities.	19
Supporting Finding 3.1 General Fund revenues are significantly below average for comparable-sized cities.	19
Supporting Finding 3.2: Payroll tax revenues per capita are significantly below average for comparable-sized cities.	20
Supporting Finding 3.3: Georgetown’s payroll tax rate is significantly below average for comparable-sized cities.	21
Supporting Finding 3.4: Insurance Premium Revenues per capita are significantly below average for comparable-sized cities..	23
Supporting Finding 3.5: Georgetown’s Insurance Premium Tax rate is significantly below average for comparable-sized cities.	24
Supporting Finding 3.6: Property Tax Revenues per capita are extremely below average for comparable-sized cities.	25

Supporting Finding 3.7: Georgetown's property tax rate is extremely low.	26
Supporting Finding 3.8: Residents of Georgetown have a lower total property tax burden than all other sample cities.	27
Supporting Finding 3.9: Georgetown's Real Property Tax Rate ranks 395 th out of 406 cities (1 st percentile) statewide.	28
Supporting Finding 3.10: Over the last 40 Years, property tax rates have been reduced by 68%.	29
Major Finding 4: Net profits revenues account historically for a substantial portion of the City's General Fund revenues but are highly volatile.	30
Supporting Finding 4.1 Net Profits accounts on average for 16% of total General Fund revenues, but that percentage ranges from 4% to 36%.	30
Supporting Finding 4.2: Net Profits tax revenues are extremely difficult to project due to wildly fluctuating numbers.	31
Major Finding 5: Georgetown ranks at the bottom in police and fire spending per capita and per capita police and fire spending is historically declining.	36
Supporting Finding 5.1: Police Spending per capita is significantly below average.	36
Supporting Finding 5.2: Historical police spending per capita is significantly declining, is less than half of what it was 20 years ago and is 44% less than the average over 25 years.	38
Supporting Finding 5.3: Fire spending per capita is below average.	39
Supporting Finding 5.4: Historical fire spending per capita is down from previous and is 15% less than the average over 25 years.	40
Supporting Finding 5.5: Georgetown employs fewer police officers per 1,000 residents than all the Sample Cities.	41
Supporting Finding 5.6: Georgetown employs fewer police officers per 1,000 residents than in past years and fewer than its historical average.	42
Supporting Finding 5.7: Georgetown employs fewer firefighters per 1,000 residents than the average.	42
Supporting Finding 5.8: Georgetown employs fewer firefighters per 1,000 residents than in past years and fewer than its historical average.	44
Supporting Finding 5.9: Georgetown employs fewer Dispatch/911 personnel per 1,000 residents than in past years and fewer than its historical average.	45
Major Finding 6: Public safety comprises most of the City's General Fund expenditures, and most public safety spending goes to personnel.....	46
Supporting Finding 6.1: Public Safety accounts for 58% of General Fund Spending and 51% of All Funds spending.	46
Supporting Finding 6.2: Personnel expenses comprise 83% of Police, Fire and Dispatch General Fund spending.	48
Major Finding 7: Public works spending is in extreme decline.	49
Supporting Finding 7.1: Public Works spending is in extreme decline, is only a fourth of what it was 20 years ago, and is 111% less than the average over 25 years.	49
Major Finding 8: Georgetown's City Employment is down historically.....	51
Supporting Finding 8.1: Georgetown's total city employees per 1,000 residents is 62% lower than 1999, and the City employs 49 fewer employees today than it did 15 years ago.	51
Major Finding 9: Two dedicated revenue sources fall far short of the expenditures they support.	53
Supporting Finding 9.1 The General Fund will need to supplement MAP Funds for street maintenance costs in the amount of \$5.7 million over the next 11 years.	53
Supporting Finding 9.2: CMRS funds fall far short of the cost to run 911/Dispatch and will create a \$7.6 million shortfall over the next 11 years.	55

Major Finding 10: Georgetown’s general obligation debt is below average, and its reserves are average. 56

Supporting Finding 10.1: Georgetown’s debt per capita is significantly lower than average. 56

Supporting Finding 10.2: Georgetown’s debt is only 0.38% of property values and is significantly lower than average. 57

Supporting Finding 10.3: Georgetown’s debt service as a % of revenues is 40% lower than the average. 58

Supporting Finding 10.4: Georgetown’s fund balance as a percentage of general fund revenues is only slightly less than average. 59

BUDGET OUTLOOK 60

Observation 1: Non-salary personnel costs will dramatically increase over the next five years and remain that way into the foreseeable future. 60

1.1 Hazardous duty CERS contribution rates will increase 82% from 2018 to 2024. 60

1.2 Non-Hazardous duty CERS contribution rates will increase 60.5% over the next five years. 61

1.3 CERS contribution increases over 12 years will increase City expenses by \$17 million when compared to 2018 rates. 62

1.4 CERS contribution increases will increase costs by \$11 million compared to the historical trend forecast. 63

1.5 CERS contribution increases will negate revenue increases from the reduction of the Toyota KJRA incentive. 64

1.6 Non-salary personnel costs have shown a steady and steep historical increase that will continue into the foreseeable future. 65

1.7 Over 20 Years, salaries have increased by 54%, but non-salary personnel costs have increased by 180%. 67

1.8 Salaries are projected to increase 19.4% while non-salary personnel costs are projected to increase 61.7%. 68

1.9 Between 2000 and 2030, annual non-salary personnel costs will have increased by almost \$7 million, while salaries will have increased only \$4.3 million. 69

INTRODUCTION

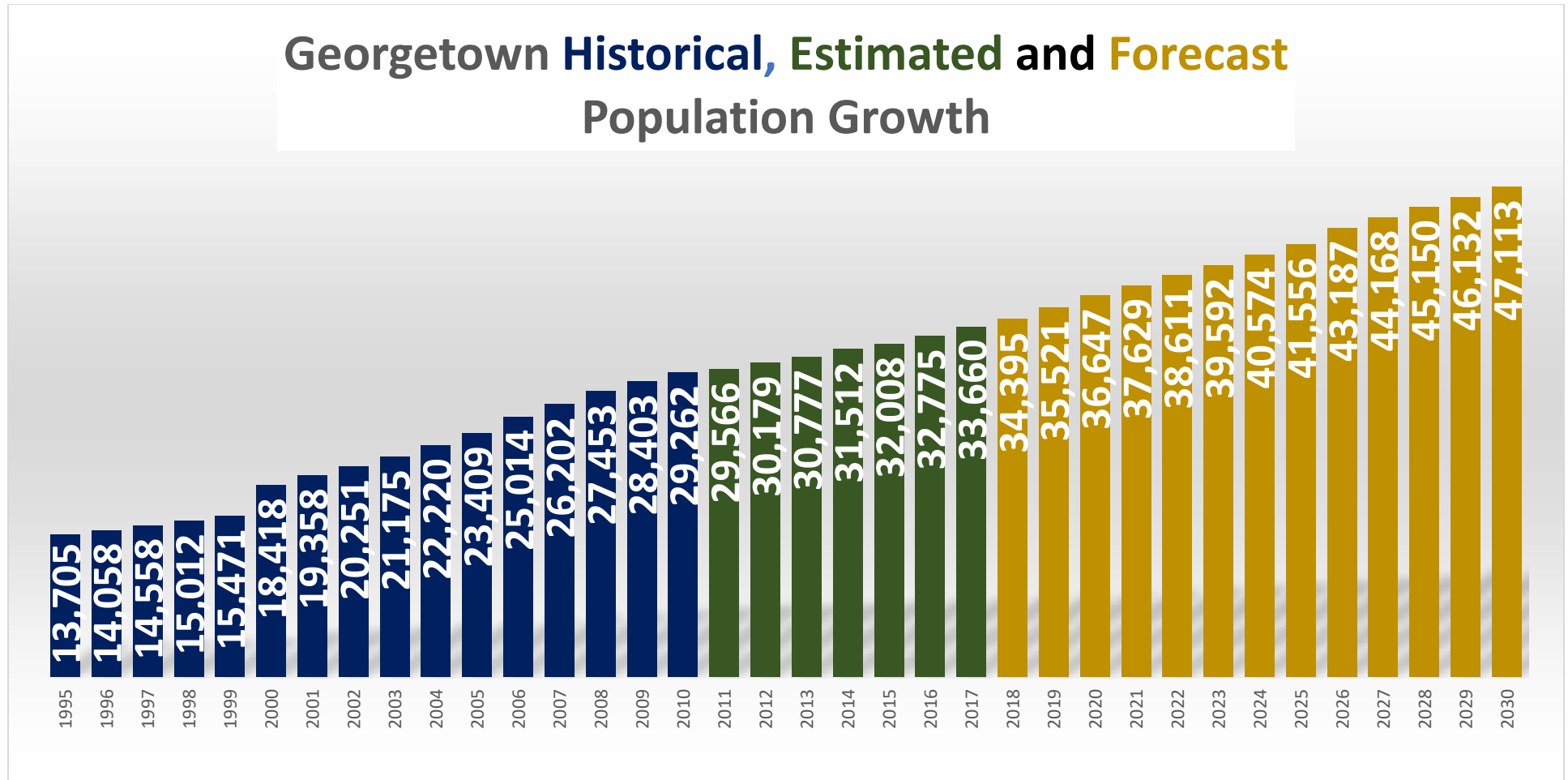
The purpose of this report is to compare Georgetown to the 18 other most populous cities in Kentucky, excluding Lexington, Louisville and Independence (a statistical outlier) (“the Sample Cities”), in terms of revenues, expenditures, debt, reserves, taxes, and various statistics in a single fiscal year, and to look at this same info for Georgetown over the last 15-25 years. Current figures are predominantly from 2018 Audits and Comprehensive Financial Reports. Averages for the Sample Cities include Georgetown and the 18 other tested cities. City employment numbers span 1993 to 2017 unless otherwise noted. Population, income, household and jobs statistics were obtained from the Kentucky State Data Center, www.census.gov and the Census’ On the Map website. The report also examines important trends in revenues and expenditures and forecasts that data into a future budget outlook.

FINDINGS

Major Finding 1: The City is experiencing rapid growth, and its demographics and labor base are shifting.

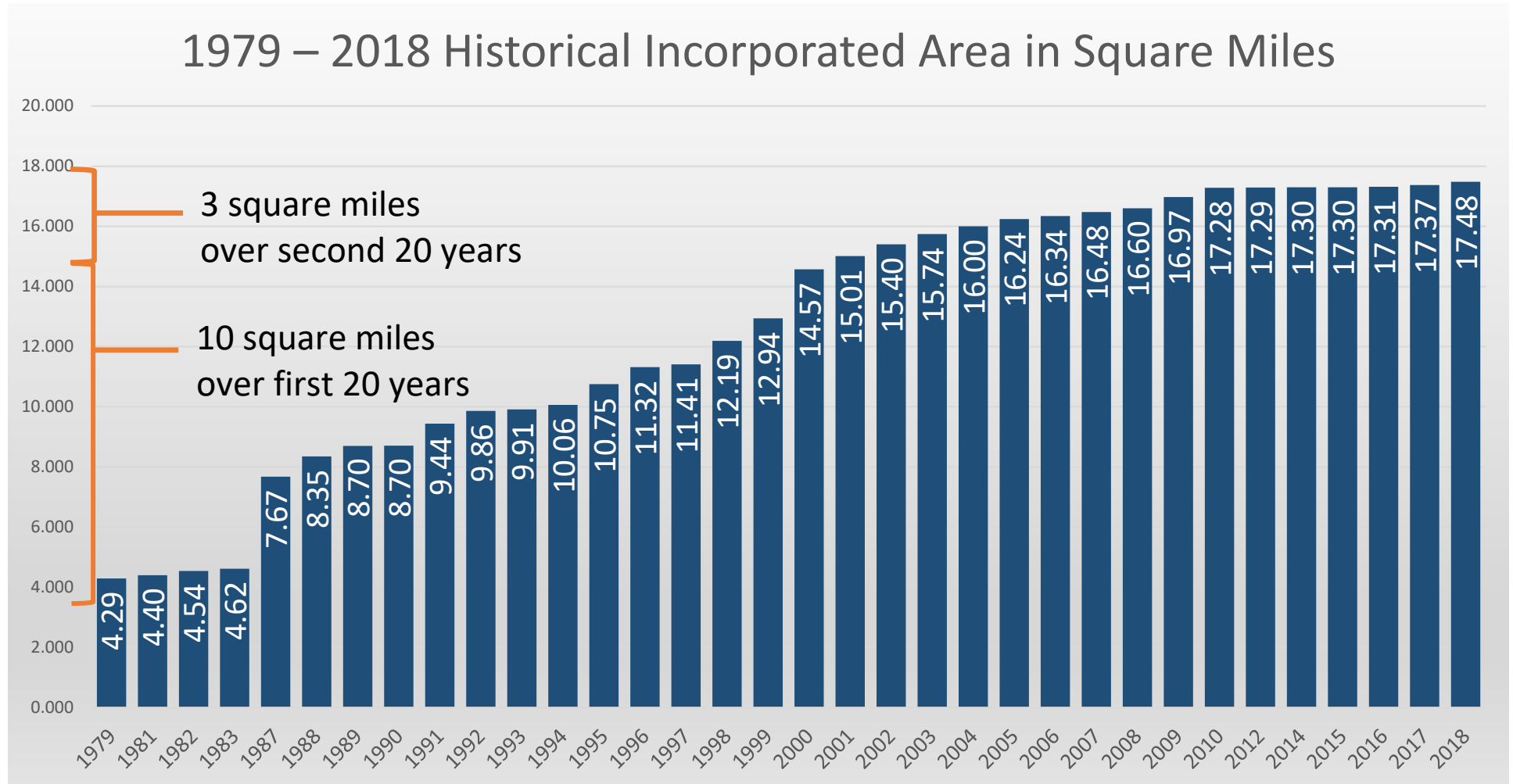
Supporting Finding 1.1: Georgetown's population has grown by 151% over the last 24 years.

In 1995, Georgetown's estimated population was 13,705. In 2017, its estimated population was 33,660. On average over the last 24 years, the city has grown by 869 people per year. Georgetown is forecast to have a population of 36,647 by 2020 and 47,113 by 2030.



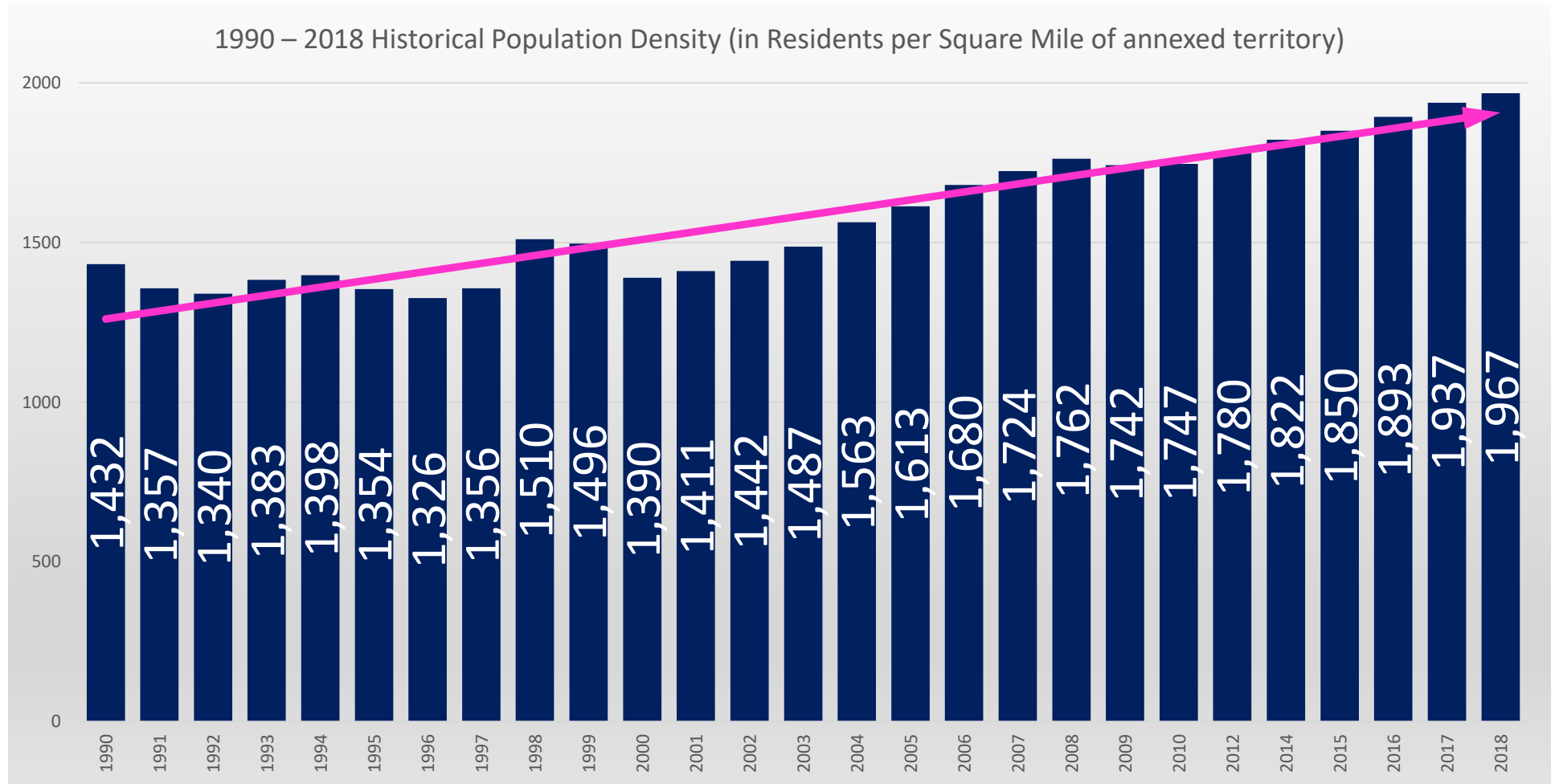
Supporting Finding 1.2: Georgetown experienced rapid incorporated area growth in the 1980s and 1990s, but that growth has since slowed.

From 1979 to 2000, the incorporated area grew by roughly 10 square miles. From 2000 to 2018, the incorporated area has only grown by 3 square miles.



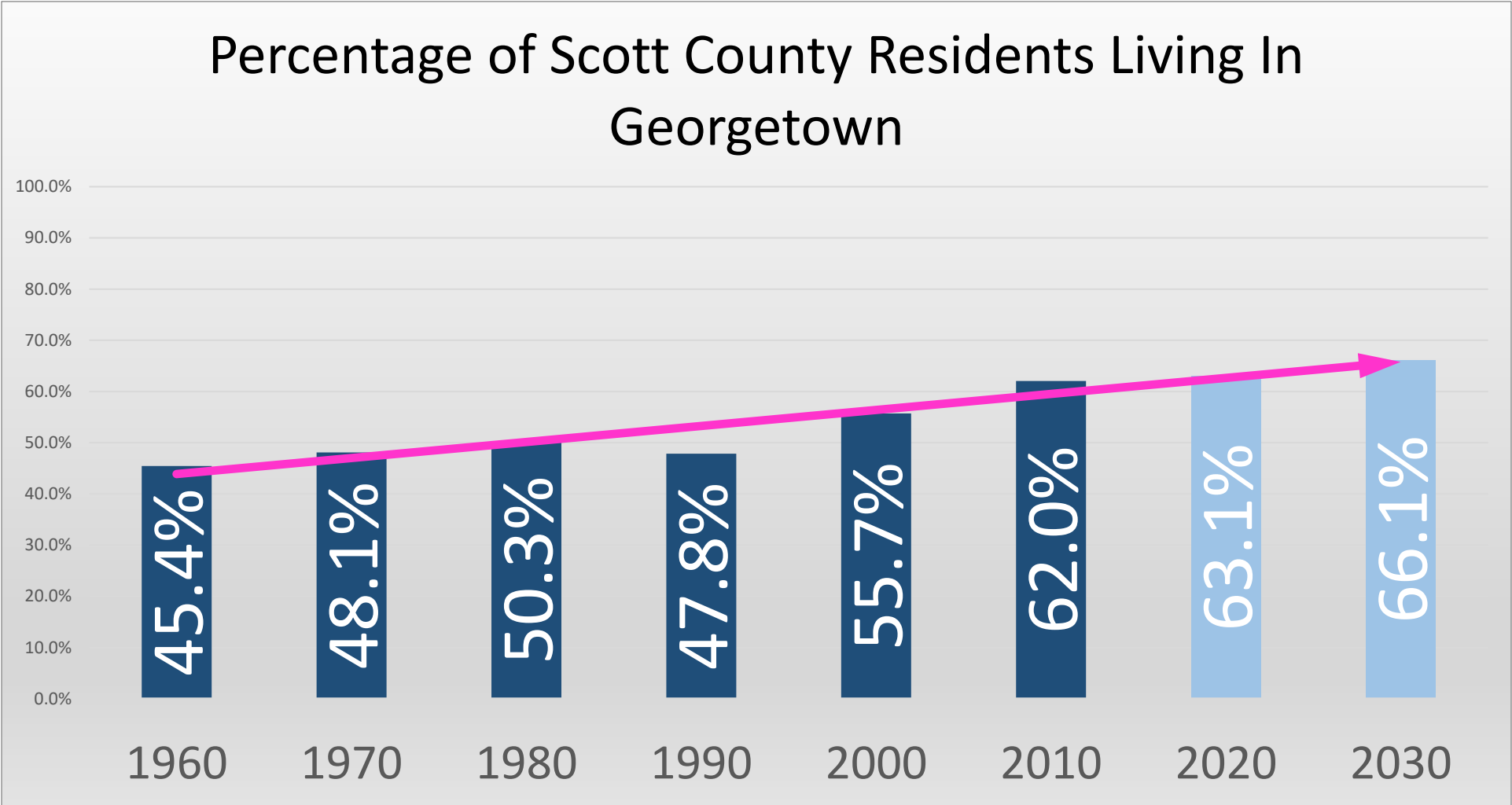
Supporting Finding 1.3: Georgetown's Population Density has increased by 41.5% since 2000.

Combining the previous two findings, the City's population has been growing steadily, but the incorporated area has not, leading to increasing population density. Today, Georgetown has 577 more residents per square mile than 18 years ago. That is a 41.5% increase in density.



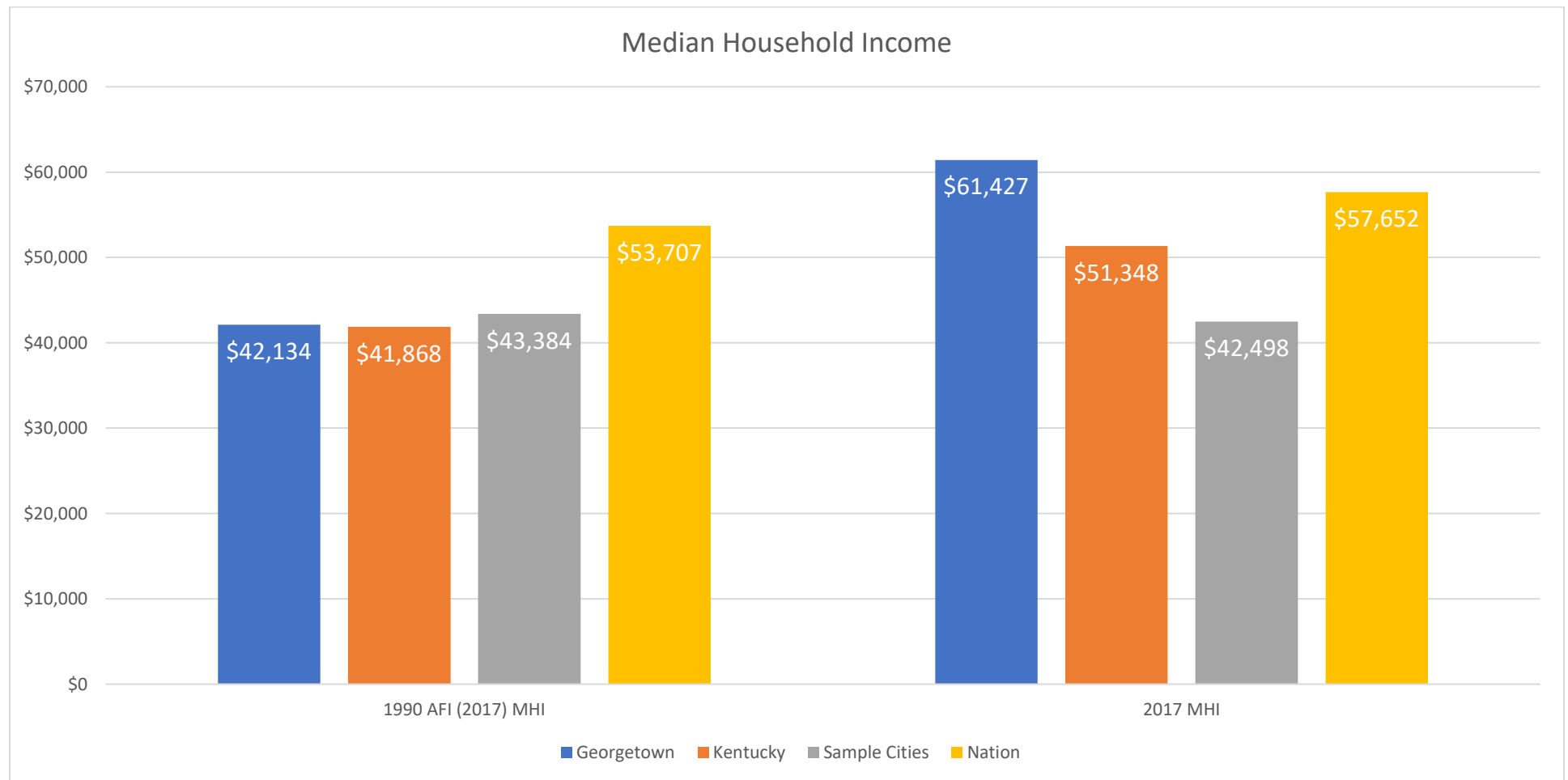
Supporting Finding 1.4: Scott County’s population is becoming more urbanized.

In 1990, 47.8% of Scott County residents lived in Georgetown. In 2000, 55.7% of Scott County residents lived in Georgetown. And in 2010, 62% of Scott County residents lived in Georgetown. On average, every 10 years, 4.9% of Scott County’s population is shifting from living outside Georgetown to living inside Georgetown. Following this trend, **75% of Scott County residents would live in Georgetown by 2045.**



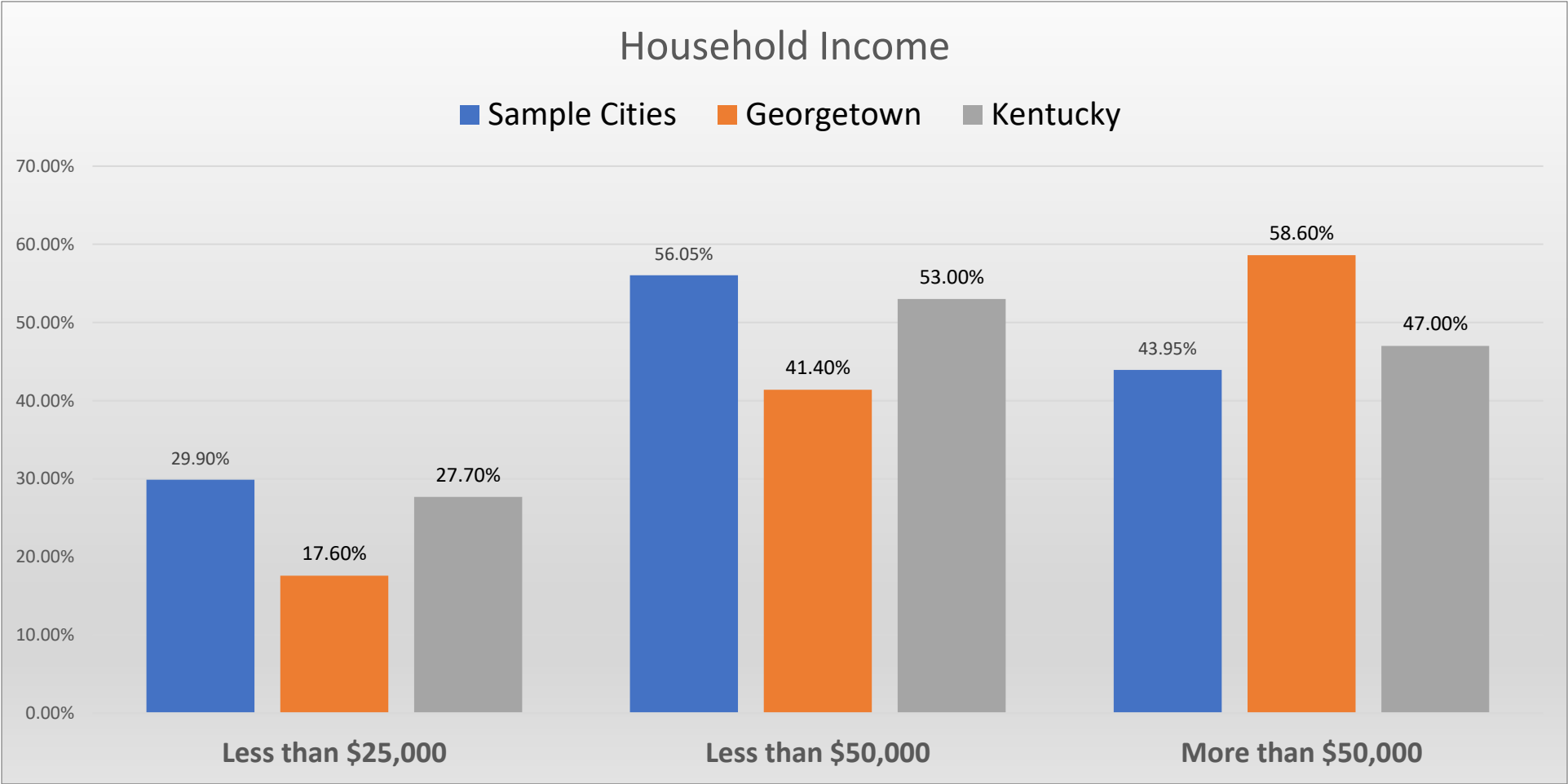
Supporting Finding 1.5 Georgetown is becoming a wealthier community. In 20 Years, the Real Median Household Income has increased by almost \$20,000.

Median household income is a statistic provided by the U.S. Census Bureau. It is a reliable statistic that divides the income distribution into two halves, with exactly half the households making more than the median and half making less than median. It is different than mean (average) household income, which tends to skew numbers upwards because of a small number of extremely higher earners. The average Median Household Income for the Sample Cities is \$42,498. Georgetown's 2017 Median Household Income is \$61,427. Kentucky's MHI is \$51,348 and the nation's is \$57,652. **Scott County has the fourth highest Median Household Income in Kentucky** behind, Oldham, Spencer and Boone Counties. In 1990, Georgetown's MHI, adjusted for inflation to 2017 dollars was \$42,134. That means, in 20 years the **real median household income in Georgetown increased by \$19,293.**



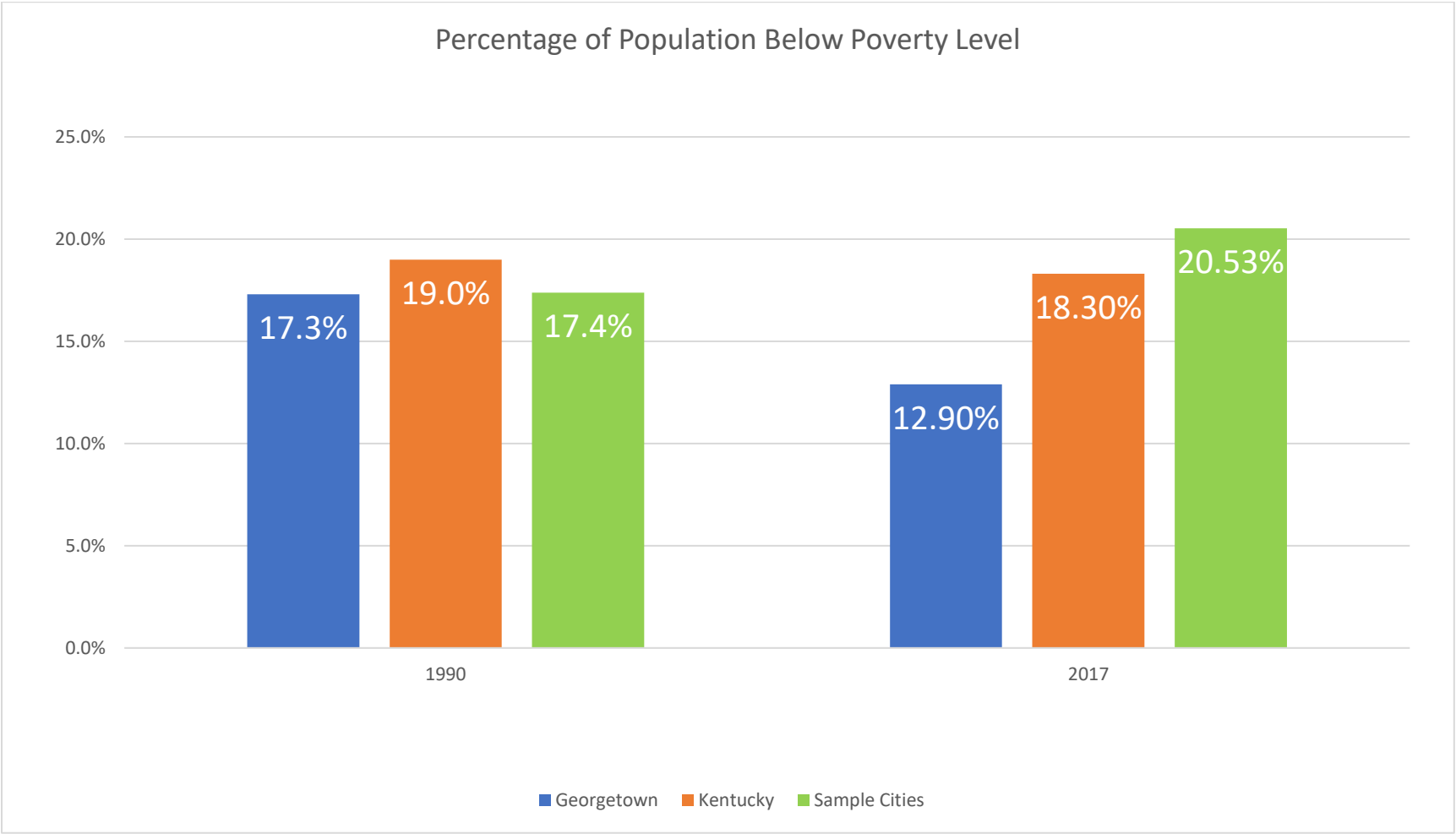
Supporting Finding 1.6: The percentage of low-income households in Georgetown is significantly below average.

The average percentage of households in the Sample Cities making less than \$25,000 annually is 29.9%. The percentage of households in Georgetown making less than \$25,000 annually is **17.6%**. In Kentucky, the number is 27.7%. The average percentage of households in the Sample Cities making less than \$50,000 annually is 56.05%. The percentage of households in Georgetown making less than \$50,000 annually is 41.4%.



Supporting Finding 1.7: Georgetown’s percentage of population living in poverty is significantly below average.

The average percentage of population living in poverty in the Sample Cities is 20.5%. In Georgetown, that number is **12.9%**. That number is down 4.4 percentage points.



Finding 1.8: On average, between 2002 and 2017, 85% of the employed residents added to Georgetown worked their primary job outside Georgetown.

In 2002, there were 8,757 employed residents of Georgetown. In 2017, there were 15,539, or 6,782 more, employed residents. Of the 6,782 more residents, 5,771 residents worked outside Georgetown and 1,011 worked in Georgetown.

Supporting Finding 1.9: Georgetown's population growth is primarily from residents who work elsewhere.

From 2002 to 2017, the population grew by 13,409 residents. The number of employed residents who worked in Georgetown grew by 1,011 (31.2% growth). The number of employed residents who worked outside Georgetown grew by 5,771 (104.5% growth). Roughly 5 out of 6 employed persons who came to Georgetown work somewhere else.

Supporting Finding 1.10: More of Georgetown's employed residents work in Lexington than in Georgetown. This was nearly the opposite 15 years ago.

In 2002, of the 8,757 employed residents of Georgetown, 3,236 (37%) worked in Georgetown and 2,251 (25.7%) worked in Lexington. This means **985 more employed residents of Georgetown worked in Georgetown than worked in Lexington.**

In 2017, of the 15,539 employed residents of Georgetown, 4,247 (27.33%) worked in Georgetown and 4,824 (31.0%) worked in Lexington. This means **577 more employed residents of Georgetown work in Lexington than work in Georgetown.**

Supporting Finding 1.11: 78.3% of the primary jobs in Georgetown are filled by non-residents.

In 2002, there were 17,051 jobs worked in Georgetown. 13,815 (80%) of those jobs were filled by people who live outside of the City. Only 3,236 (20%) of those jobs were filled by residents of Georgetown.

In 2017, 16,062 (78.3%) of the 20,390 jobs in Georgetown were filled by non-residents.

These averages are consistent with the average for the Sample Cities and are typical of the Sample Cities.

Supporting Finding 1.12: 72.7% of Georgetown's employed residents work outside Georgetown.

In 2002, 8,757 residents of Georgetown were employed at a job. **5,521 (63%) of those residents were employed outside Georgetown city limits.**

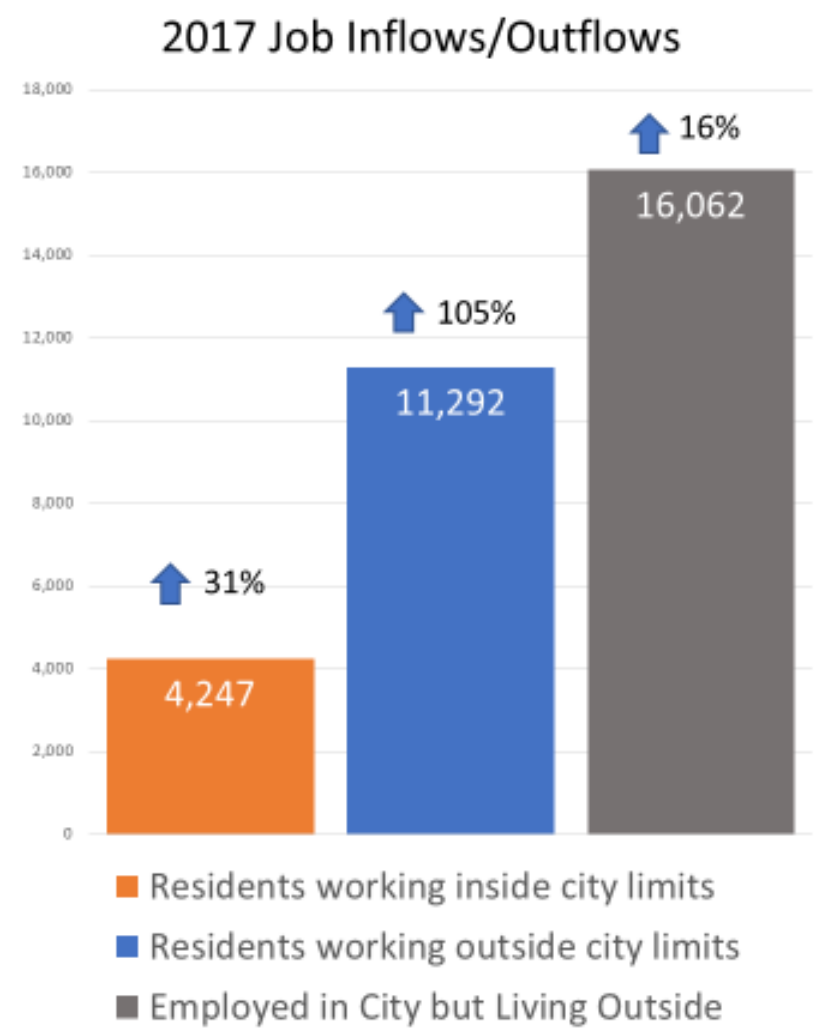
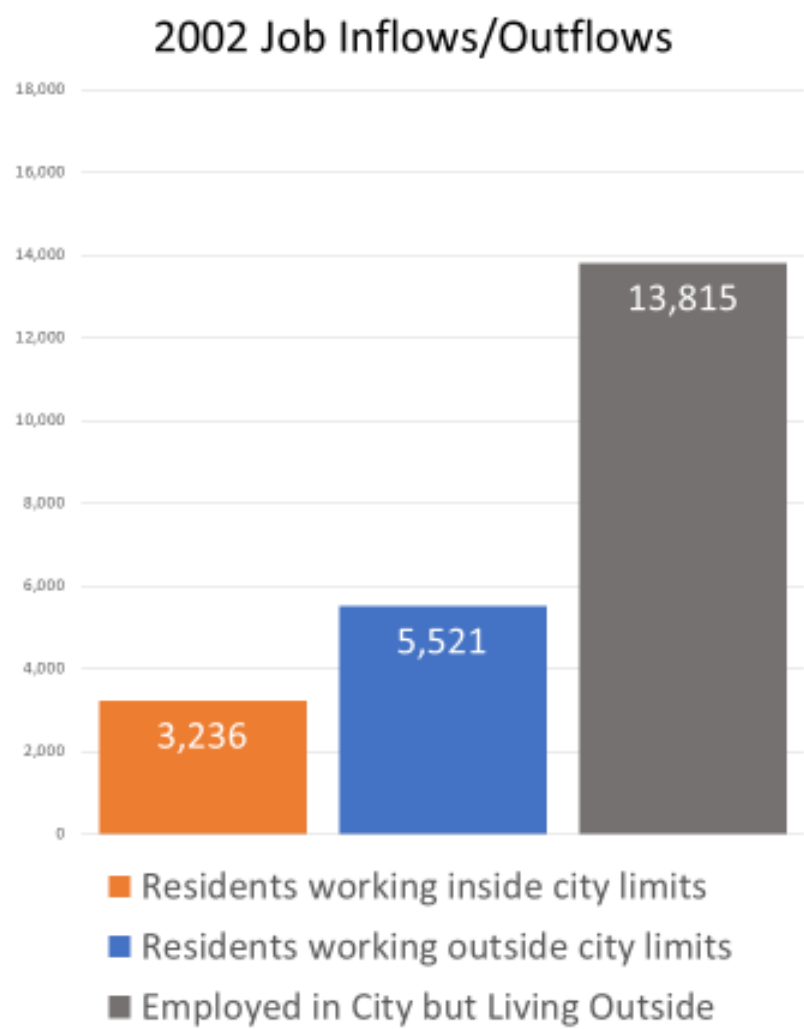
This is slightly higher than the average in sample cities. However, there is great variation in this number among the Sample Cities. For example: 95% of the employed residents of Erlanger work outside Erlanger. Contrast that to Hopkinsville, where only 35% of the employed residents work outside Hopkinsville.

In 2017, 15,539 residents of Georgetown were employed. **11,292 (72.7%) of those residents were employed outside Georgetown city limits.**

Supporting Finding 1.13: More of the City's residents are working.

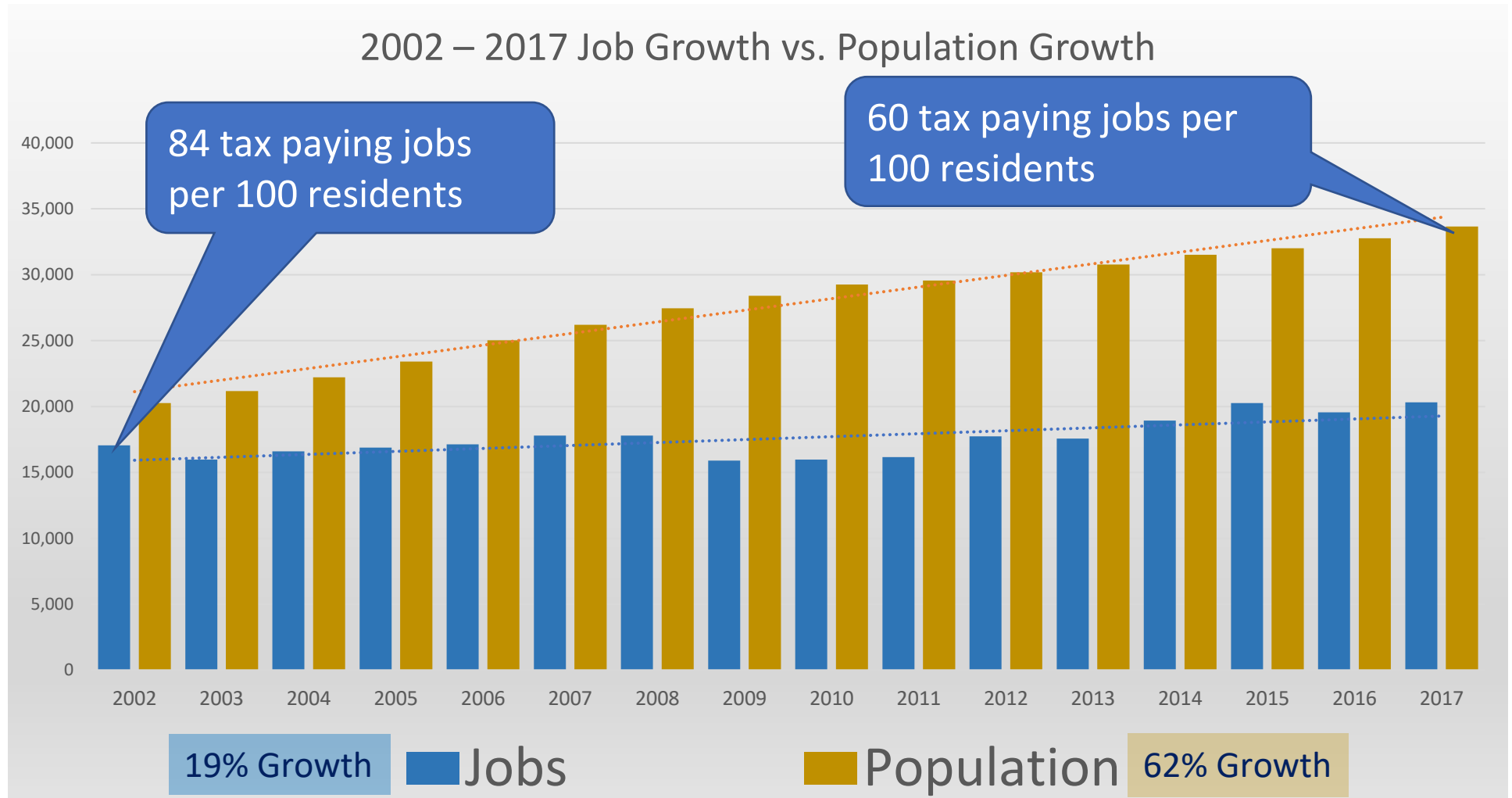
In 2002, there were 20,251 residents of Georgetown. 8,757 (43.2%) of those residents had jobs.

In 2017, there were 33,660 residents of Georgetown. 15,539 (46.1%) of those residents had jobs.



Supporting Finding 1.14: The number of payroll tax revenue producing jobs per resident has substantially decreased over the last 15 years, resulting in staggering revenue losses.

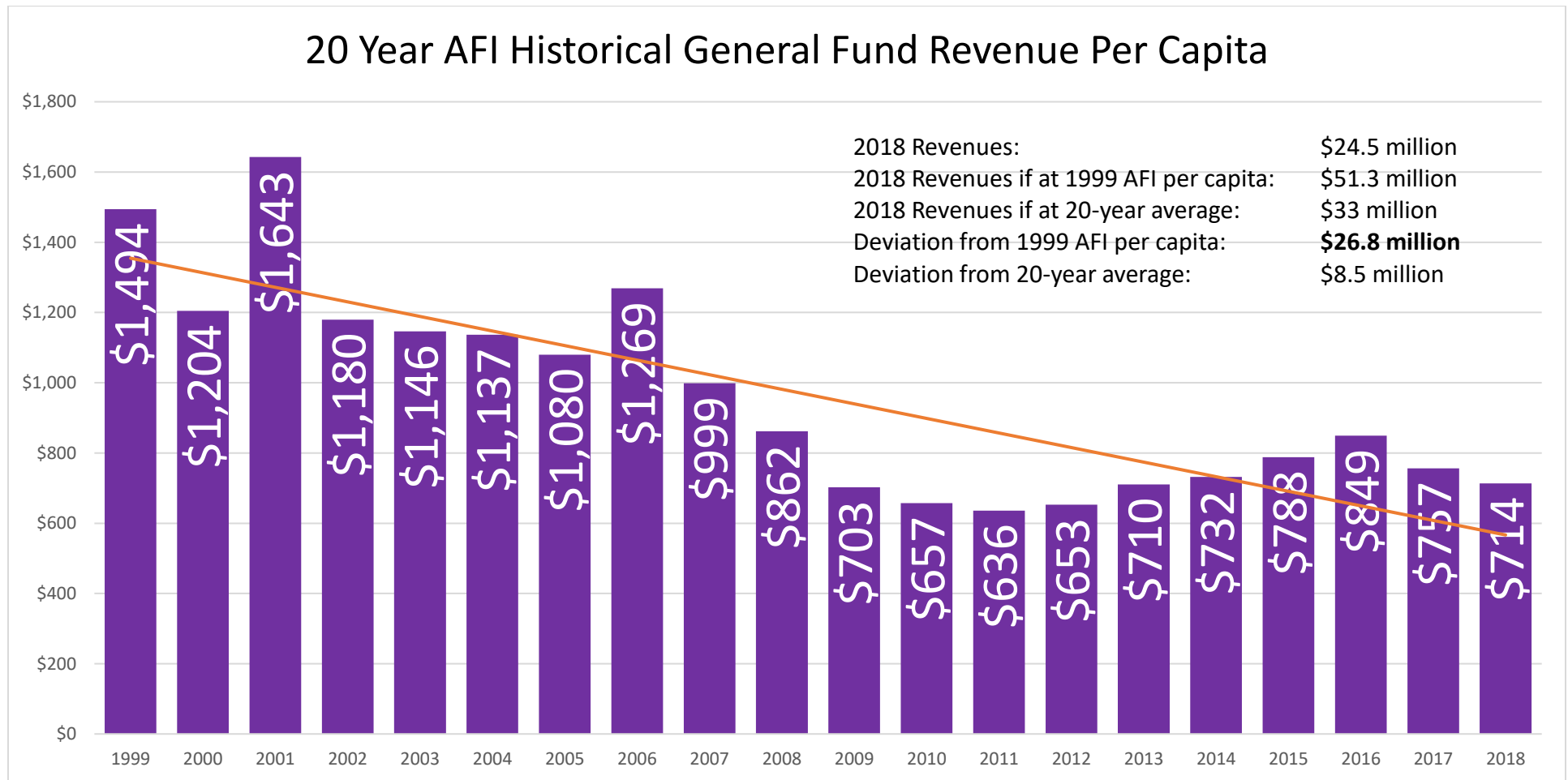
In 2002, a total of 17,051 jobs provided payroll tax revenue to the City with a population of 20,251. That means there were roughly 84 revenue producing jobs for every 100 residents. That number has steadily and significantly declined. In 2017, a total of 20,390 jobs provided payroll income to the City with a population of 33,660. That means there were roughly 60 tax-paying jobs per 100 residents. That is **24 fewer tax paying jobs per 100 residents**. During that time, the City's **population grew by 62%** and the City's **jobs only grew by 19%**. This change has resulted in a significant loss to revenues per capita. The overall economic impact of this demographic shift is estimated to be a **staggering \$54 million loss** over 15 years.



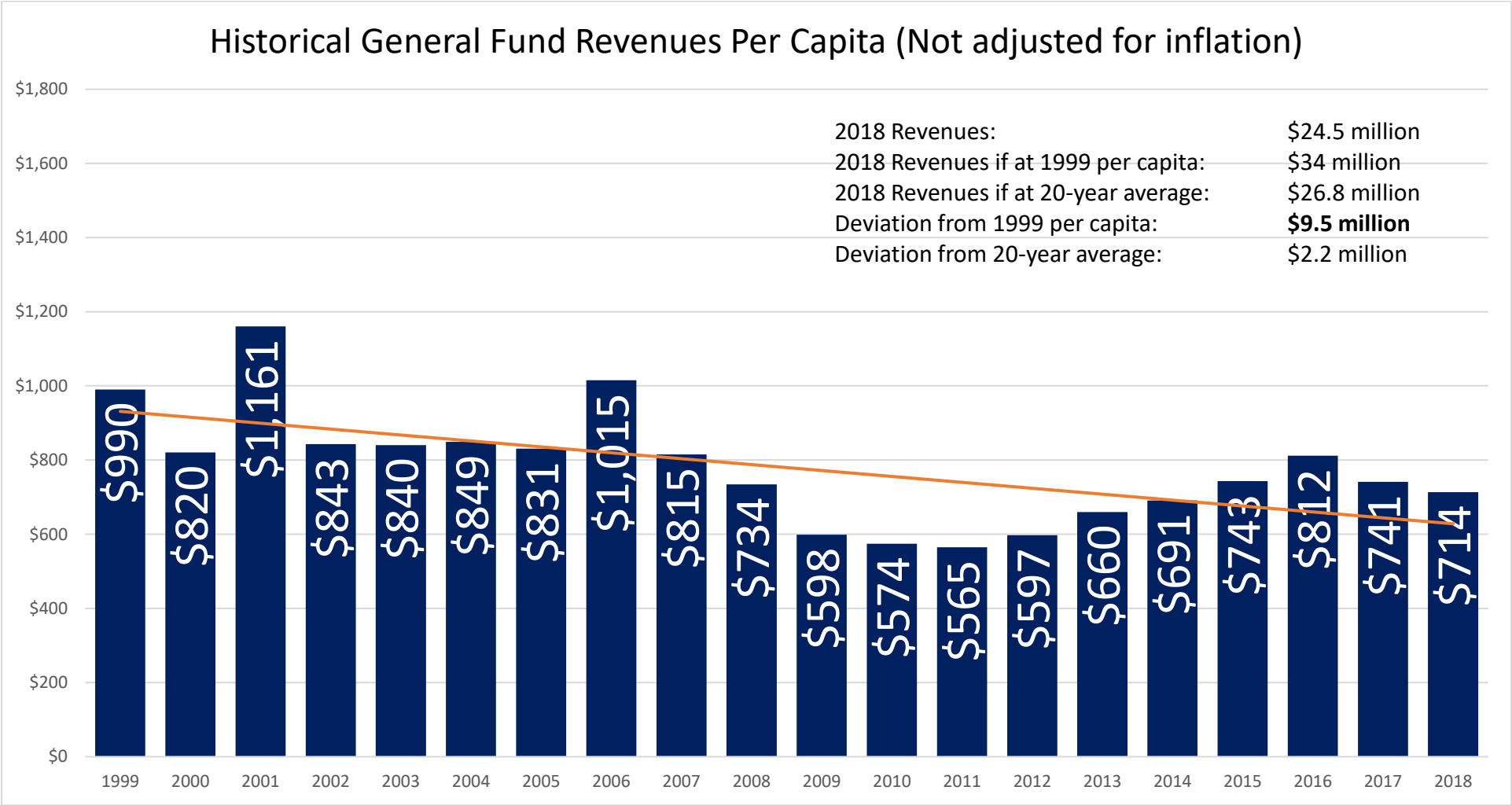
Major Finding 2: Revenues per capita are in steep decline.

Supporting Finding 2.1: General Fund Revenues per Capita have significantly declined over the last 20 years.

When adjusted for inflation, for every person who lived in Georgetown in 1999, the City could expect to collect an average of \$1,494 in General Fund revenue. That number has steadily declined. In 2018, for every person who lived in Georgetown, the City collected an average of \$714 in General Fund revenue. That is a 52% reduction. If Georgetown generated 1999 AFI revenues per capita in 2018, its annual general fund revenues **would be about \$26 million higher and would amount to total revenues of \$51.3 million**. The City's average AFI general fund revenues per capita over the last 20 years is \$961. If Georgetown generated the average historical revenues per capita in 2018, its annual general fund revenues **would be \$8.5 million higher**.

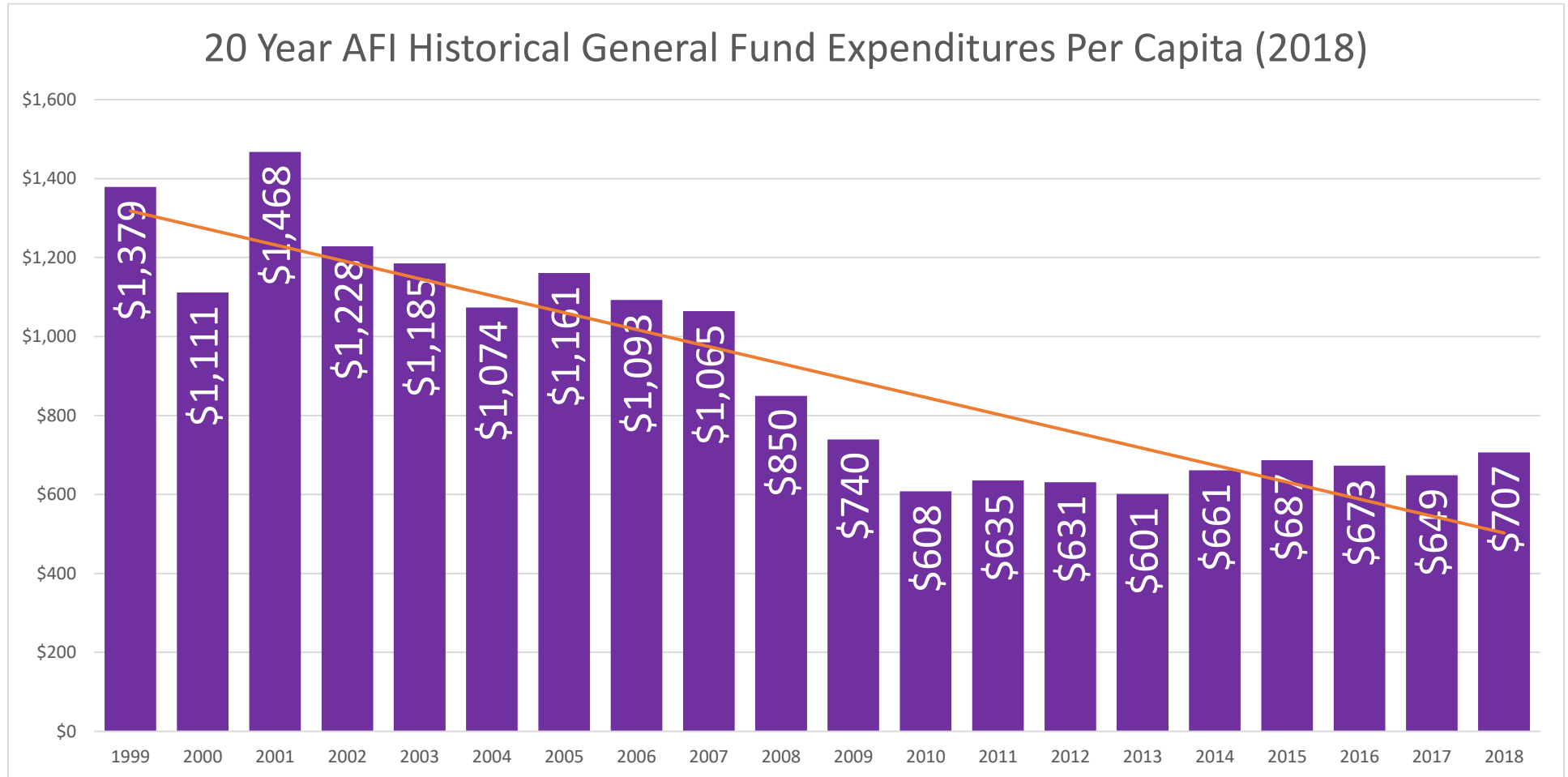


When not adjusted for inflation, for every person who lived in Georgetown in 1999, the City could expect to collect an average of \$990 in General Fund revenue. That number has steadily declined. In 2018, for every person who lived in Georgetown, the City collected an average of \$714 in General Fund revenue. That is a 27.8% reduction. If Georgetown generated 1999 revenues per capita in 2018, its annual general fund revenues **would be about \$9.5 million higher and would amount to total revenues of \$34 million**. The City’s average general fund revenues per capita over the last 20 years is \$780. If Georgetown generated the average historical revenues per capita in 2018, its annual general fund revenues **would be \$2.2 million higher**.



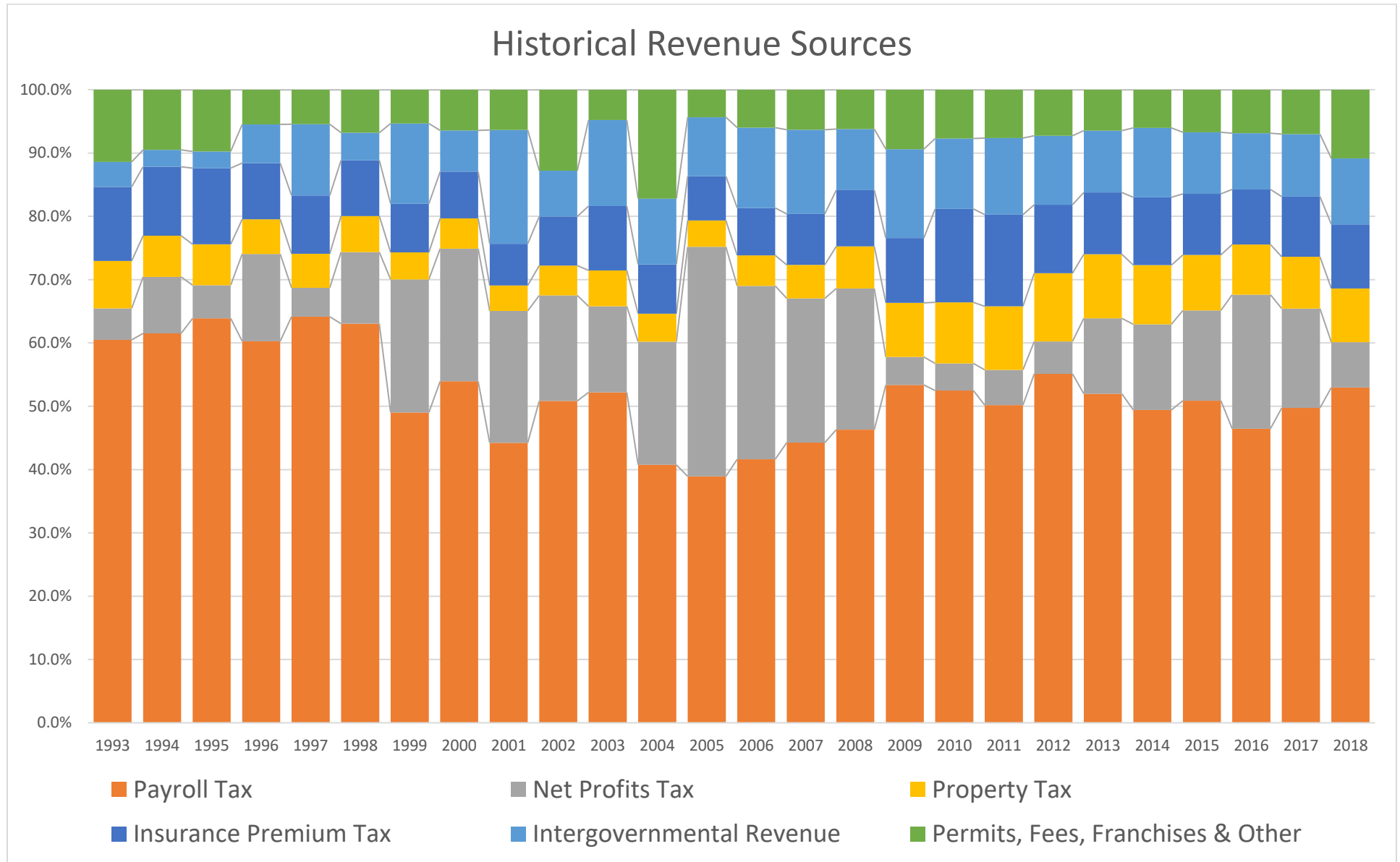
Supporting Finding 2.2: General Fund spending per capita has significantly declined over the last 20 years.

When adjusted for inflation, for every person who lived in Georgetown in 1999, the City spent an average of \$1,379 in General Fund money. That number has steadily declined. In 2018, for every person who lived in Georgetown, the City spent an average of \$707 in General Fund money. That is a 48.7% reduction. If Georgetown expended general funds at 1999 per capita rates in 2018, its annual general fund expenditures **would be about \$22.1 million higher and would amount to total expenditures of \$46.4 million.**



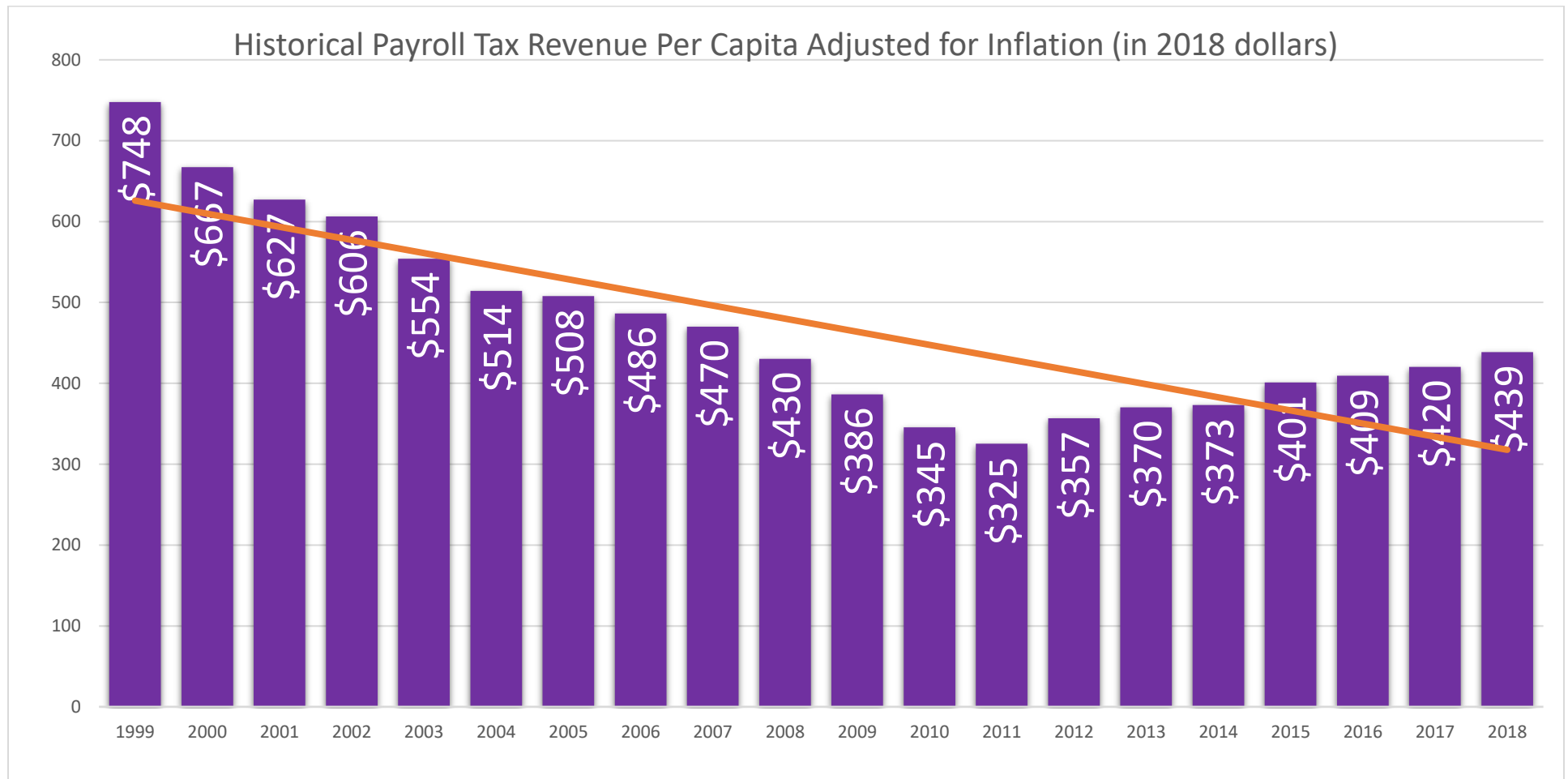
Supporting Finding 2.3: Payroll tax revenues comprise roughly half of General Fund Revenues

Over the last 26 years, the City has realized \$457 million in General Fund Revenues. \$225 million (49.3%) of that revenue has come from Payroll Taxes.



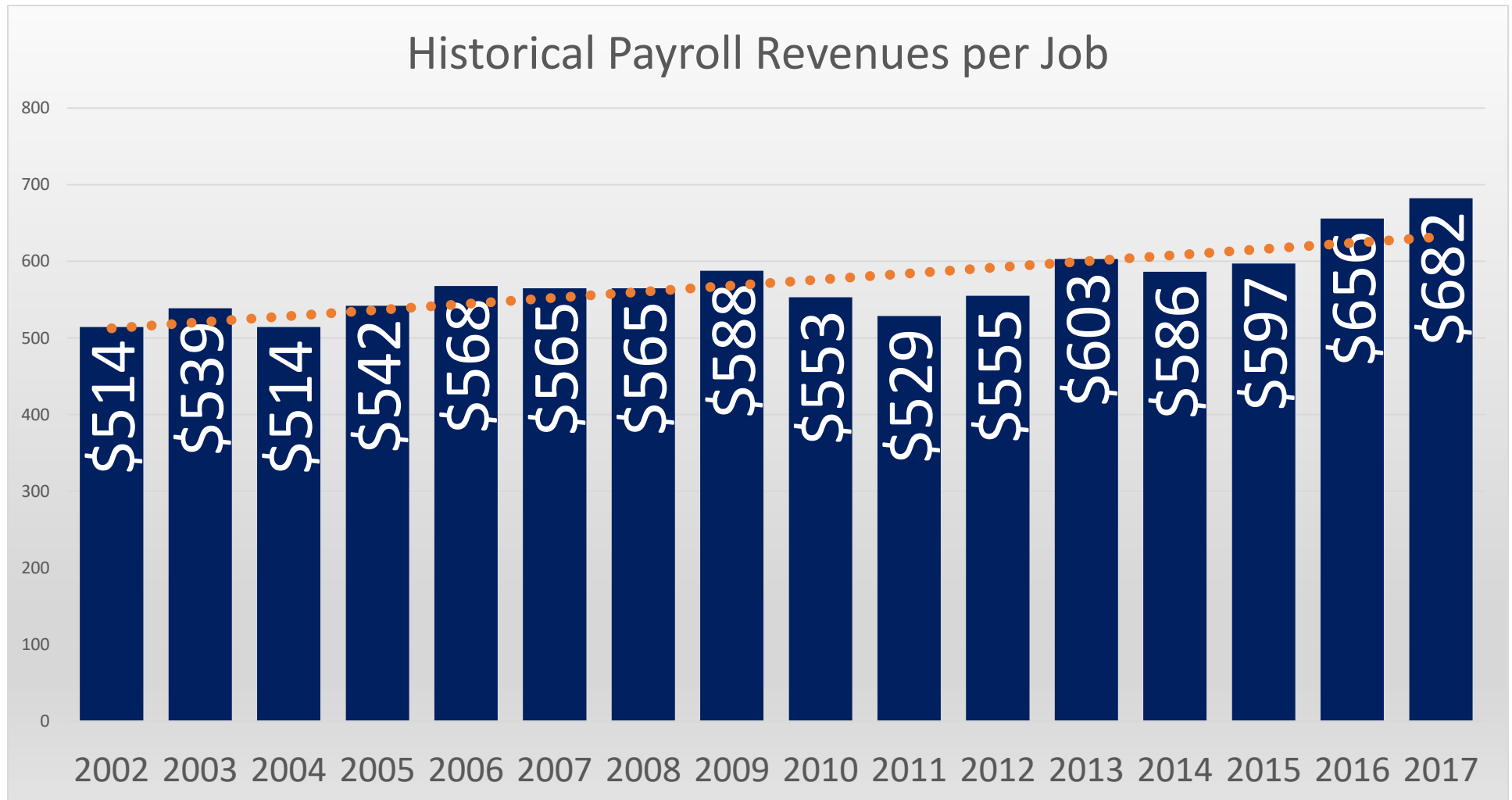
Supporting Finding 2.4: Payroll tax revenues per capita are significantly lower than historical levels, are lower than their historical average, and are in sharp decline.

Historic AFI payroll tax revenues per capita have steadily declined over 20 years. 2018 per capita payroll **revenues are 41.3% lower than in 1999**. If Georgetown generated 1999 payroll per capita in 2018, **its payroll revenues would be \$10.4 million higher**. The average AFI payroll per capita over the last 25 years is \$503.94. If Georgetown generated its historical average payroll revenues per capita in 2017, **its annual payroll revenues would be \$5,222,083 higher**.



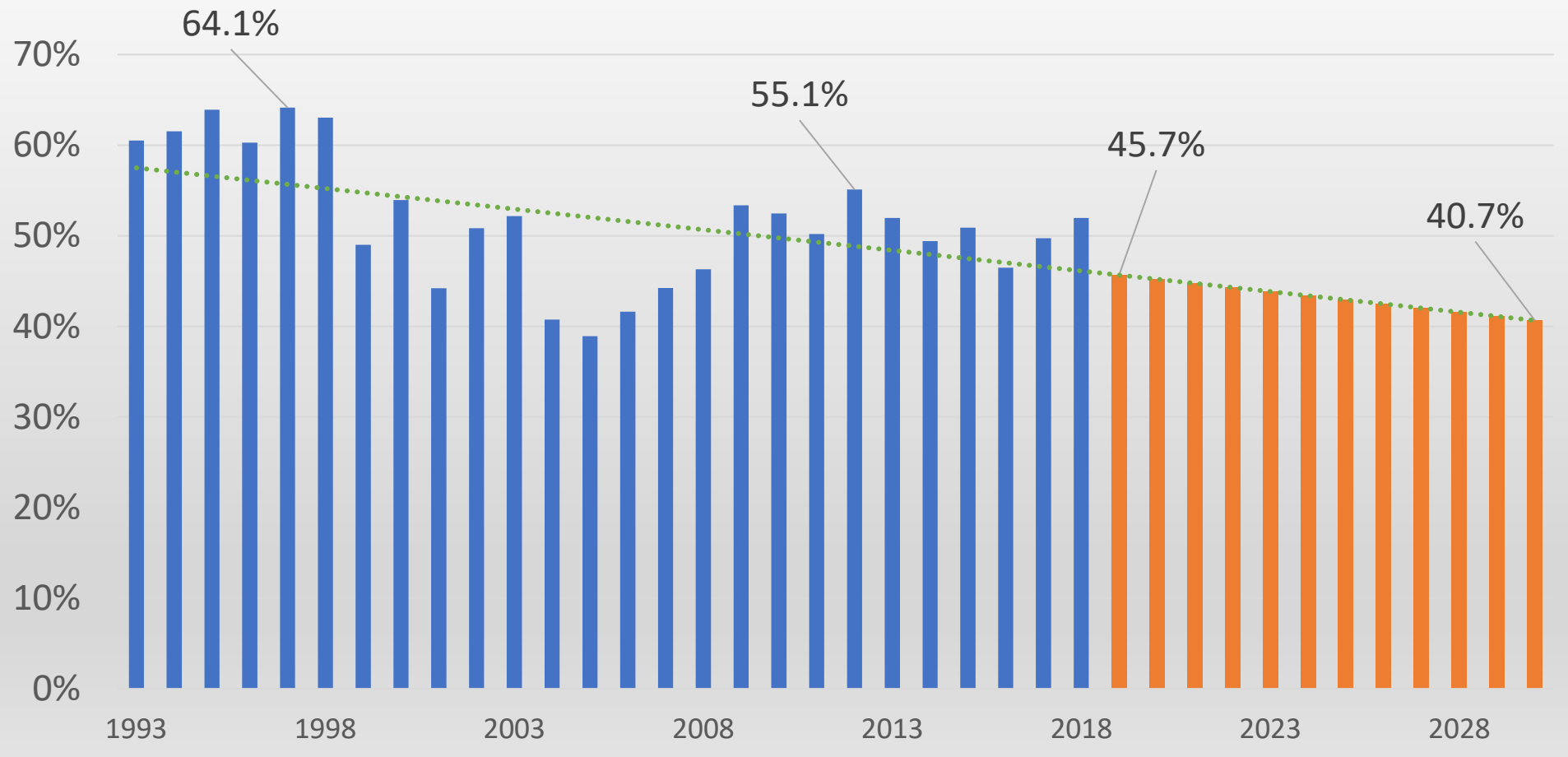
Supporting Finding 2.5: Payroll Tax Revenue Per Job is historically increasing.

During the period from 2002 to 2017, the average revenue the city collected from Payroll tax from each tax producing job was steady and trending upwards. This statistic supports the theory that the City's declining payroll tax revenue per capita is due to fewer jobs per resident, rather than a decrease in wages. When Adjusted for inflation, payroll revenue per job trends flat to slightly negative, suggesting wages may not be keeping pace with inflation.



Supporting Finding 2.6: Payroll tax revenues have historically accounted for half of the City's General Fund revenues, but that trend is decreasing.

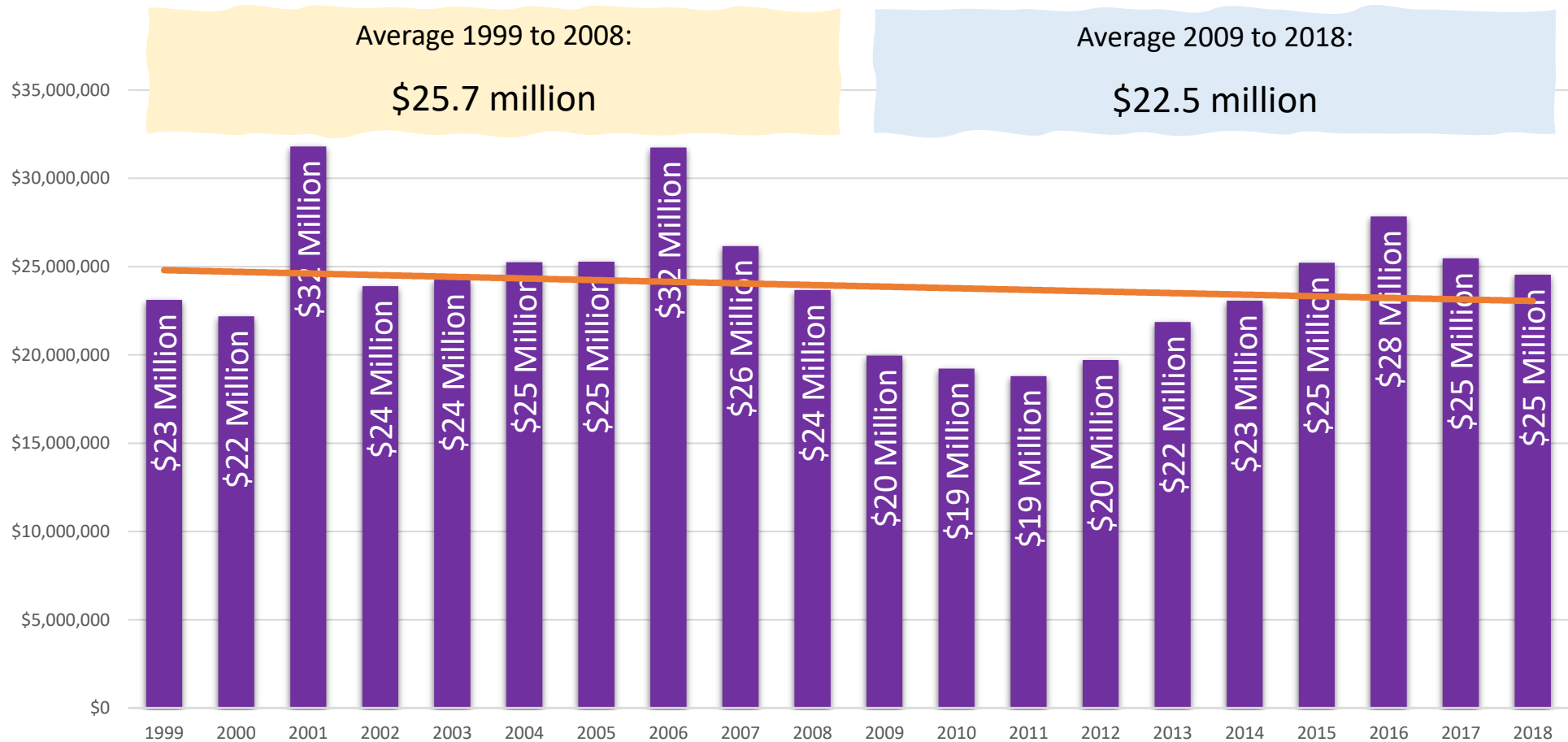
Historical and Projected Payroll Tax as a Percentage of Total GF Revenues



Supporting Finding 2.7: AFI General Fund revenues over the last 20 years are flat to slightly negative.

While General Fund revenues are slightly increasing overall, when compared to adjusted for inflation (AFI) revenues historically, current revenues are lower than in many previous years. **The City has roughly the same purchasing power today as it did 20 years ago, with twice the population to support.** Even without adjusting for inflation, the City only averaged \$1.6 million more annual General Fund revenues from 2009 to 2018 as compared to the previous 10-year period.

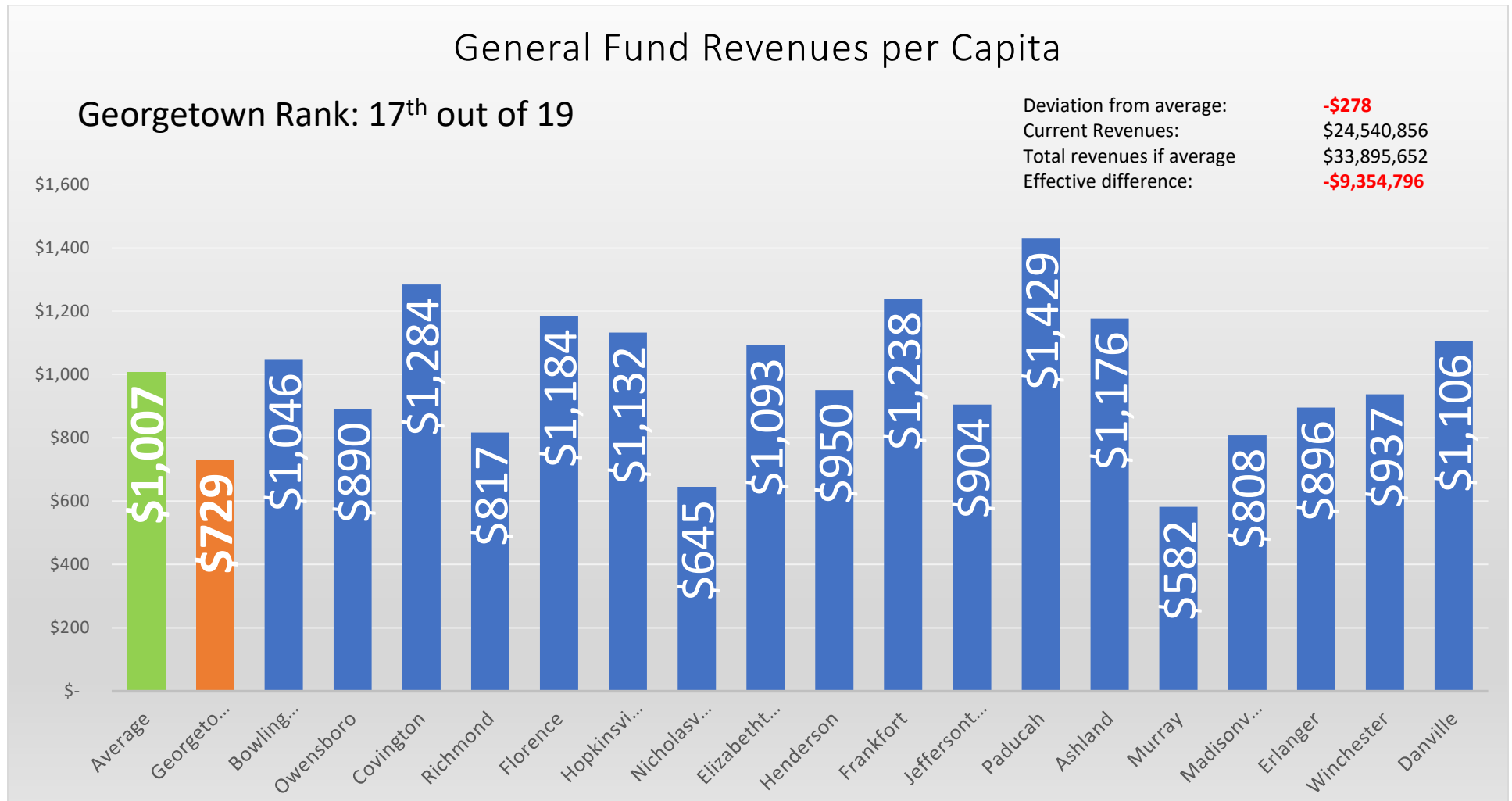
20 Year Historical General Fund Revenues Adjusted for Inflation (In 2018 Dollars)



Major Finding 3: General Fund revenues per capita are significantly below average for comparable-sized cities.

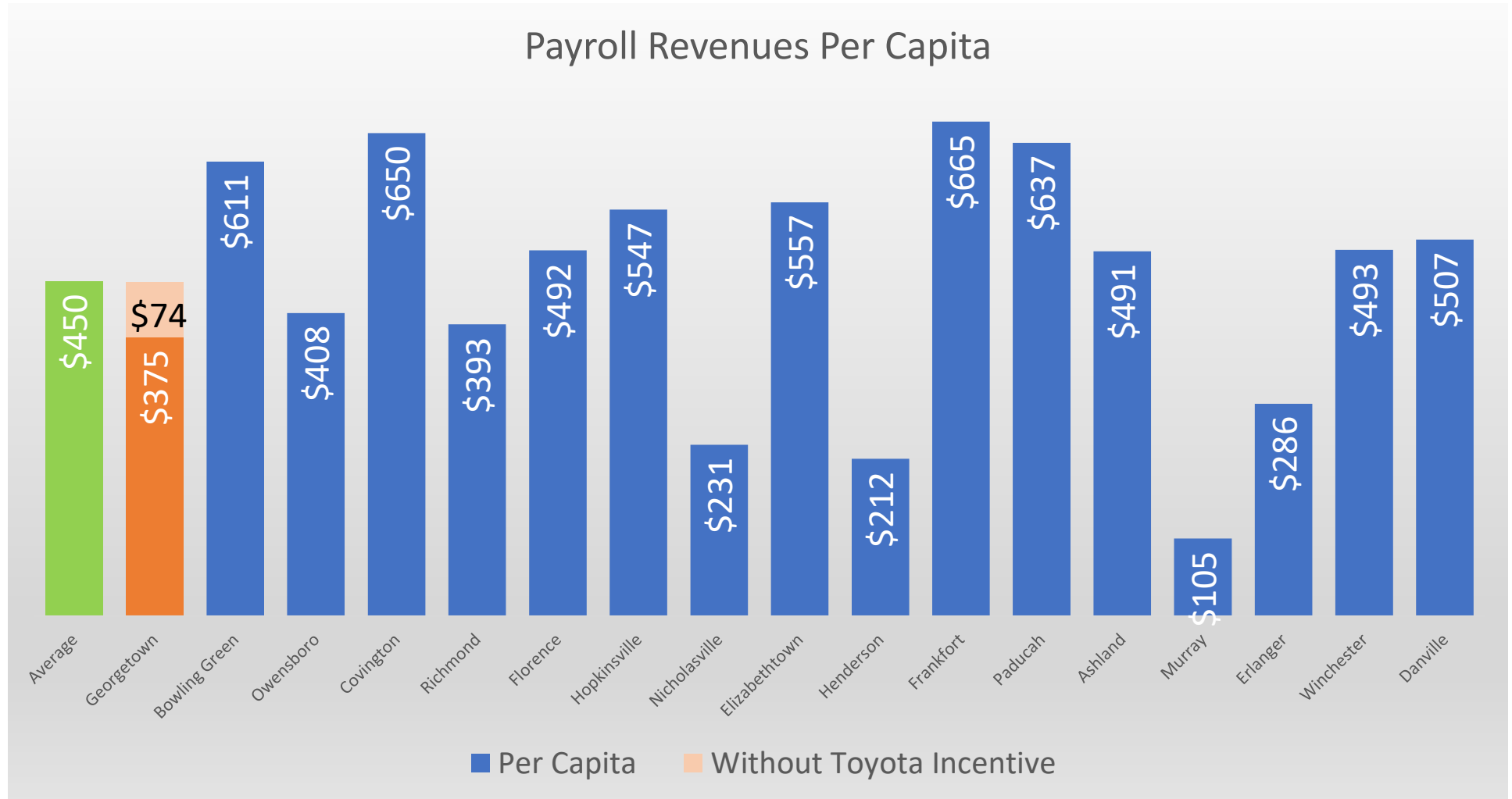
Supporting Finding 3.1 General Fund revenues are significantly below average for comparable-sized cities.

The average general fund revenues for the Sample Cities in 2018 is \$1,007 per citizen. Georgetown's general fund revenues per capita in 2018 were \$729, with total revenues of \$24,540,856. If Georgetown generated revenues at the Sample Cities average per capita, its annual general fund revenues **would be roughly \$9.3 million (49%) higher**. Frankfort, Hopkinsville, Florence, Elizabethtown, and Paducah all had annual general fund revenues exceeding \$30 million, despite having a smaller population than Georgetown.



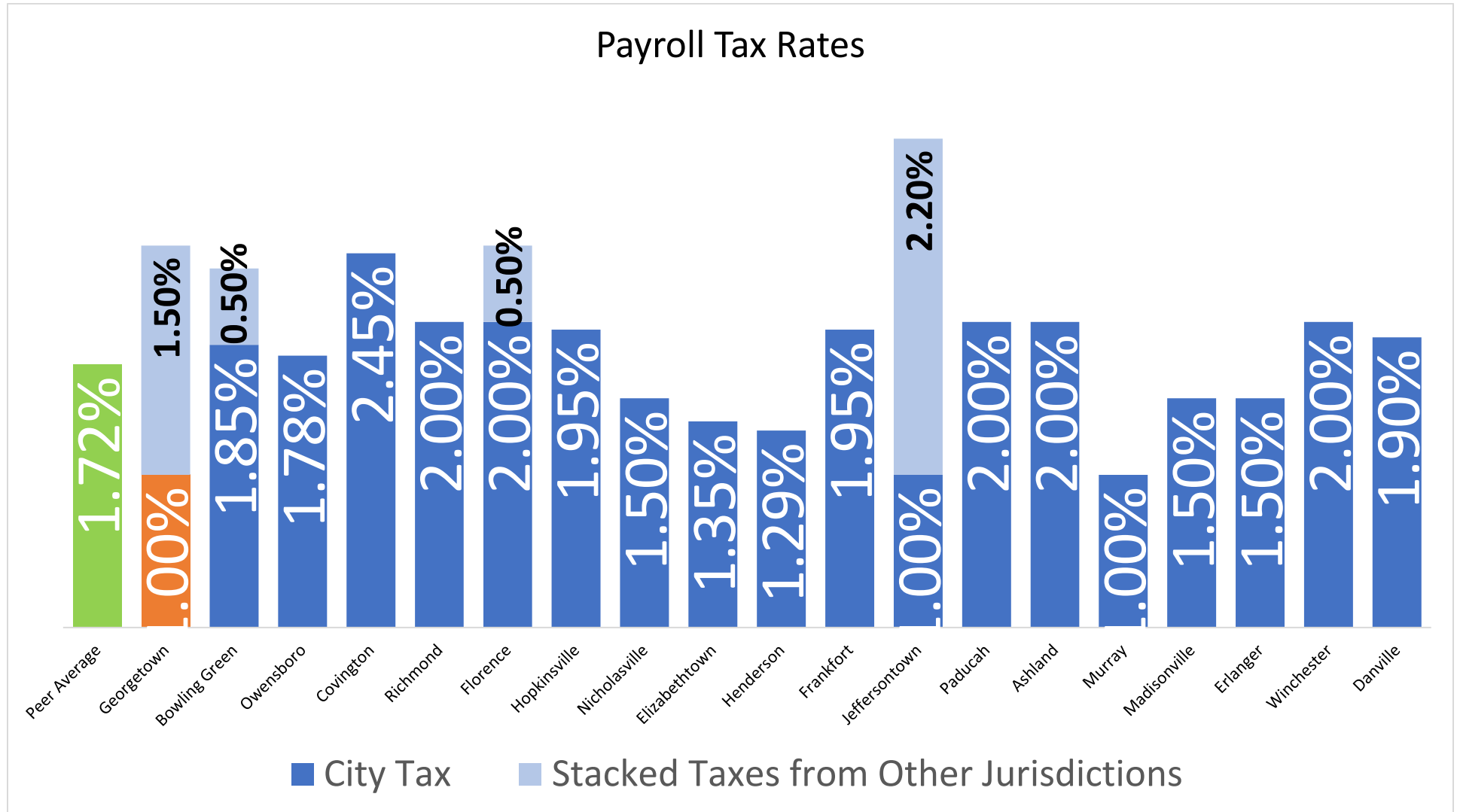
Supporting Finding 3.2: Payroll tax revenues per capita are significantly below average for comparable-sized cities.

The average payroll revenues per capita for the Sample Cities in 2018 was \$450. Georgetown's payroll per capita was \$375 with current revenues of \$12,635,488. If Georgetown generated average payroll revenues per capita, **its annual payroll revenues would be roughly \$2.5 million higher.**

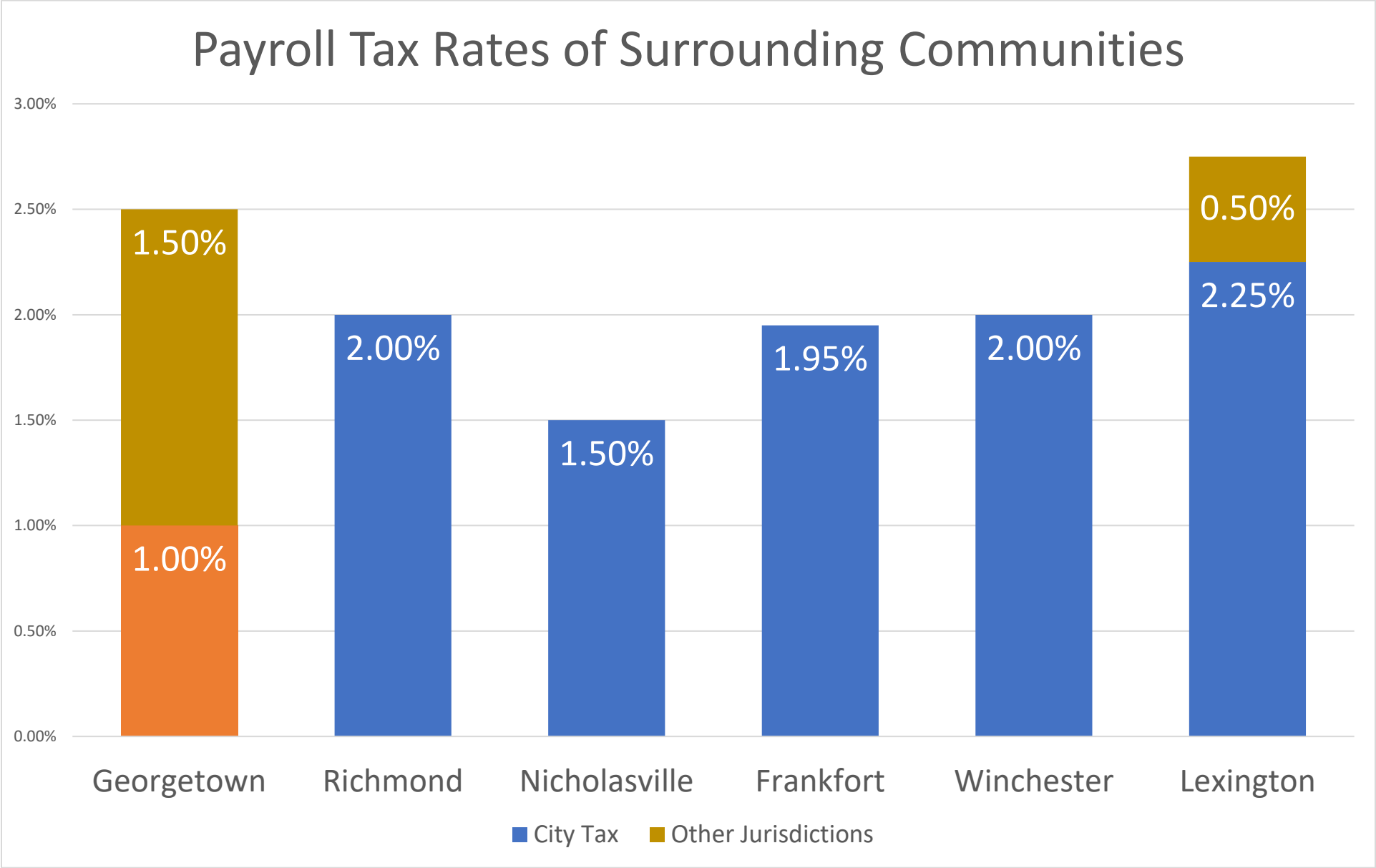


Supporting Finding 3.3: Georgetown's payroll tax rate is significantly below average for comparable-sized cities.

The average payroll tax rate for the Sample Cities is 1.72%. Georgetown's payroll tax rate is 1%, with current revenues of around \$12.6 million. If Georgetown's payroll tax rate was at the average, it would receive about \$21.7 million, or **\$9.1 million more per year** in payroll revenues. **16 of the 18 Sample Cities have a payroll tax rate above 1%**, with the highest being 2.5%.

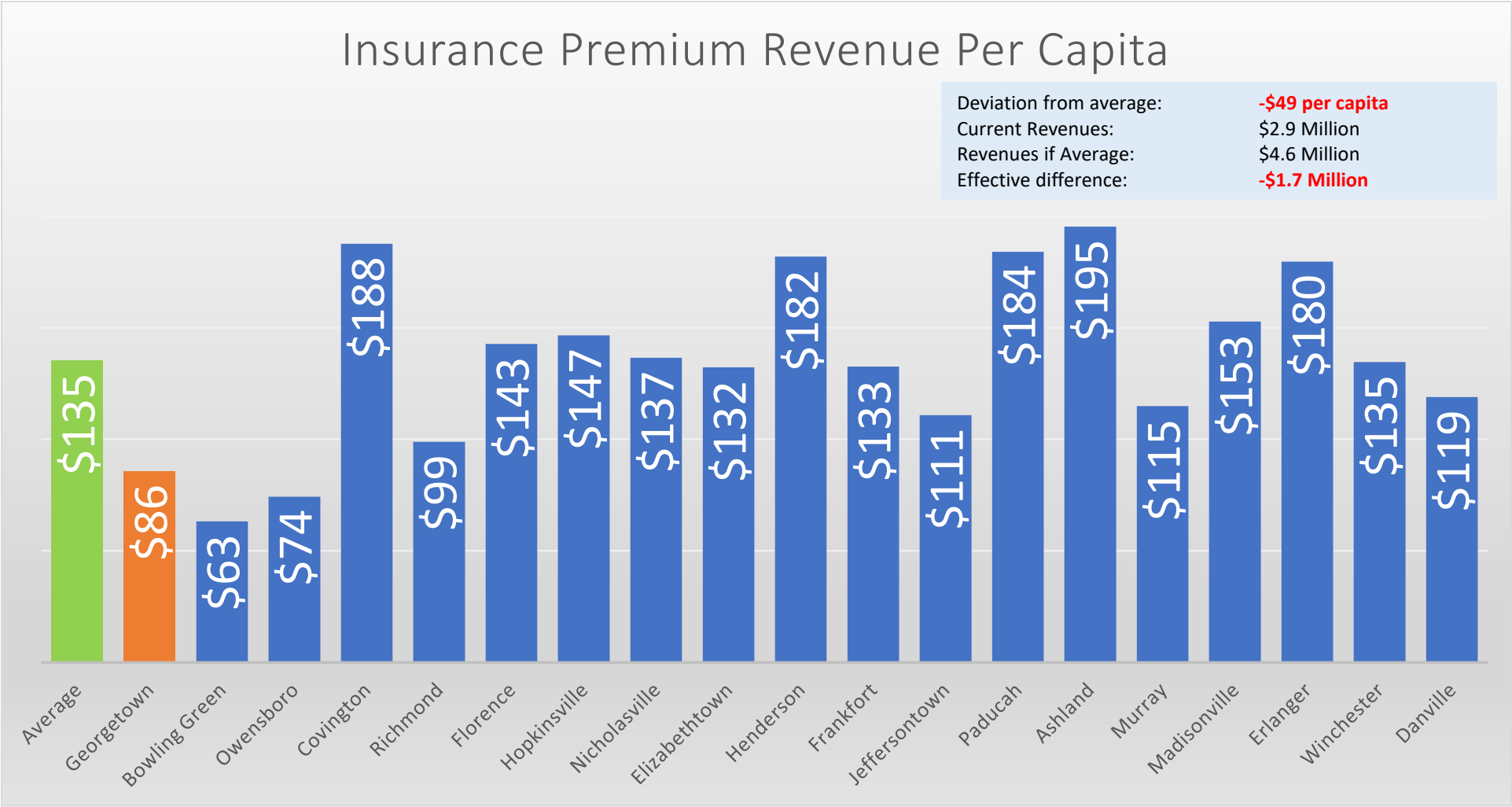


All the Sample Cities within a fifty-mile radius have a payroll tax rate of at least 1.5%. Lexington’s rate is 2.25%. Georgetown has had the same 1% payroll tax since 1976.



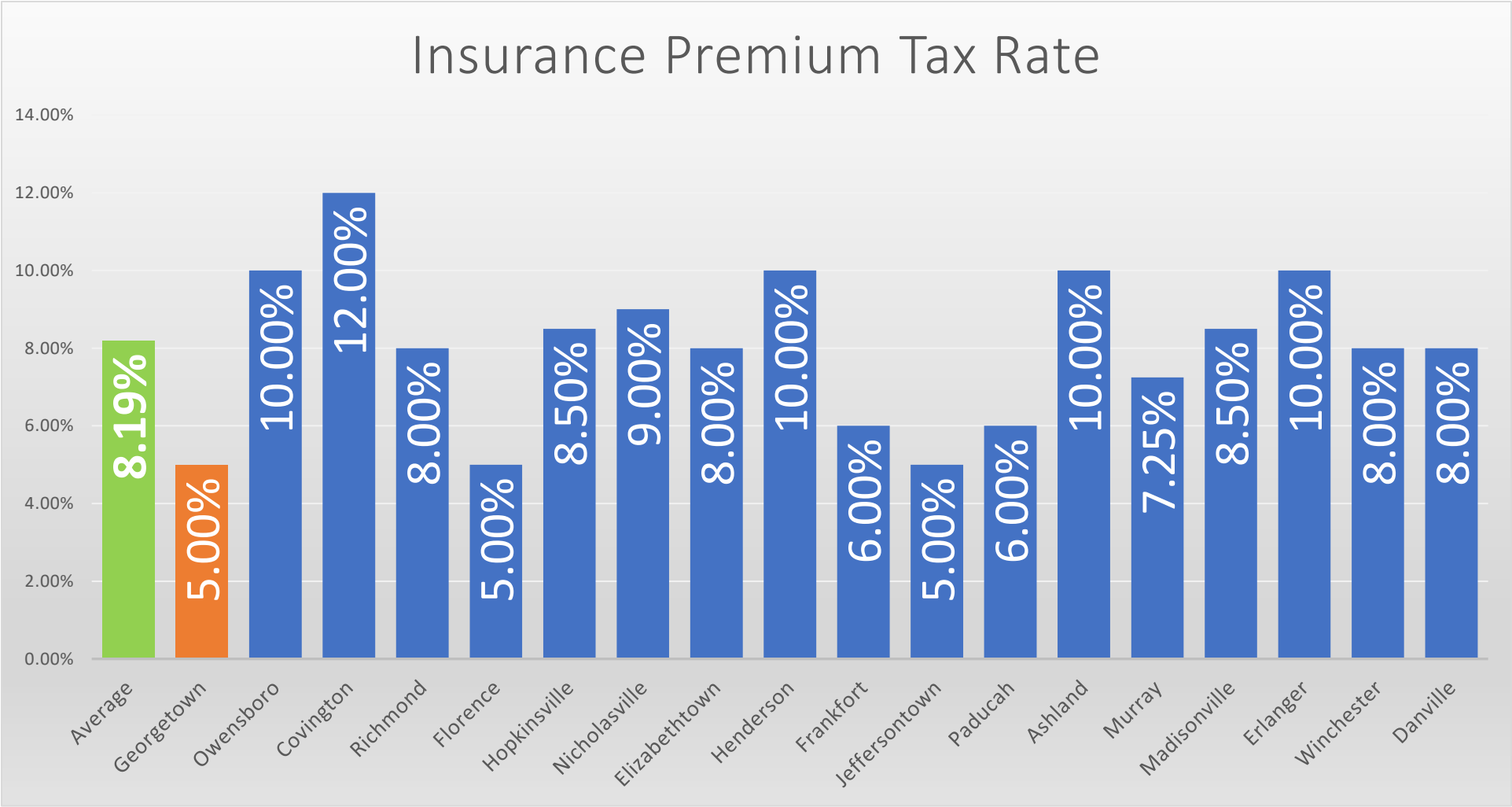
Supporting Finding 3.4: Insurance Premium Revenues per capita are significantly below average for comparable-sized cities.

The average insurance premium revenues per capita in the Sample Cities is \$135.50. Georgetown’s insurance premium per capita is \$85.53 with current revenues of \$2.9 million. If Georgetown generated the average insurance premium revenue per capita, its insurance premium revenues would be **\$1.7 million (58%) higher**.



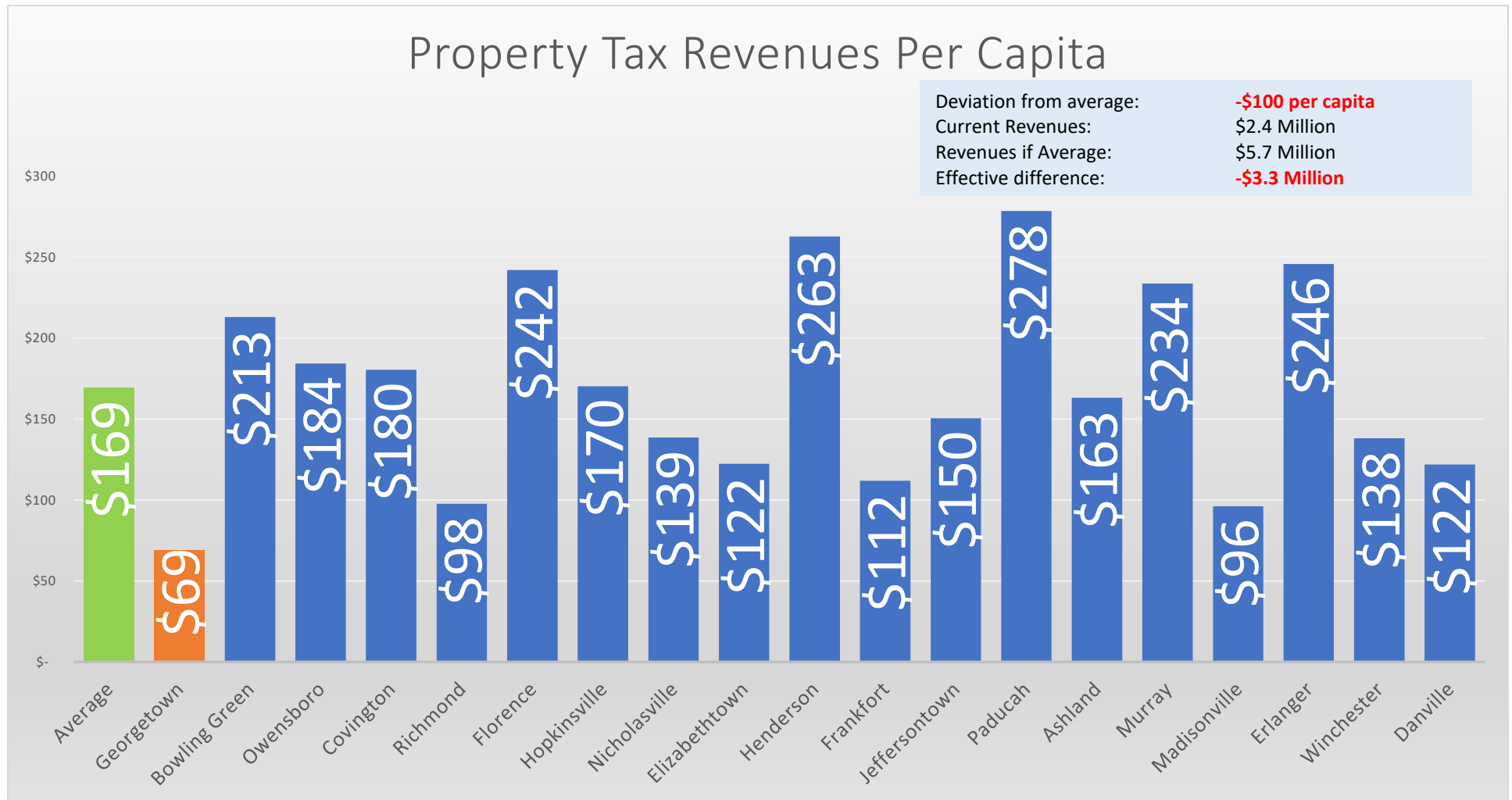
Supporting Finding 3.5: Georgetown’s Insurance Premium Tax rate is significantly below average for comparable-sized cities.

The average Insurance Premium tax rate for the Sample Cities is 8.19%. Georgetown’s rate is 5.0% and it generates annual revenues of around \$2.9 million. 15 of 17 of the Sample Cities have insurance premium tax rates above 5% with the highest being 12%. If Georgetown levied the average rate, it would generate around \$4.7 million (62% more).



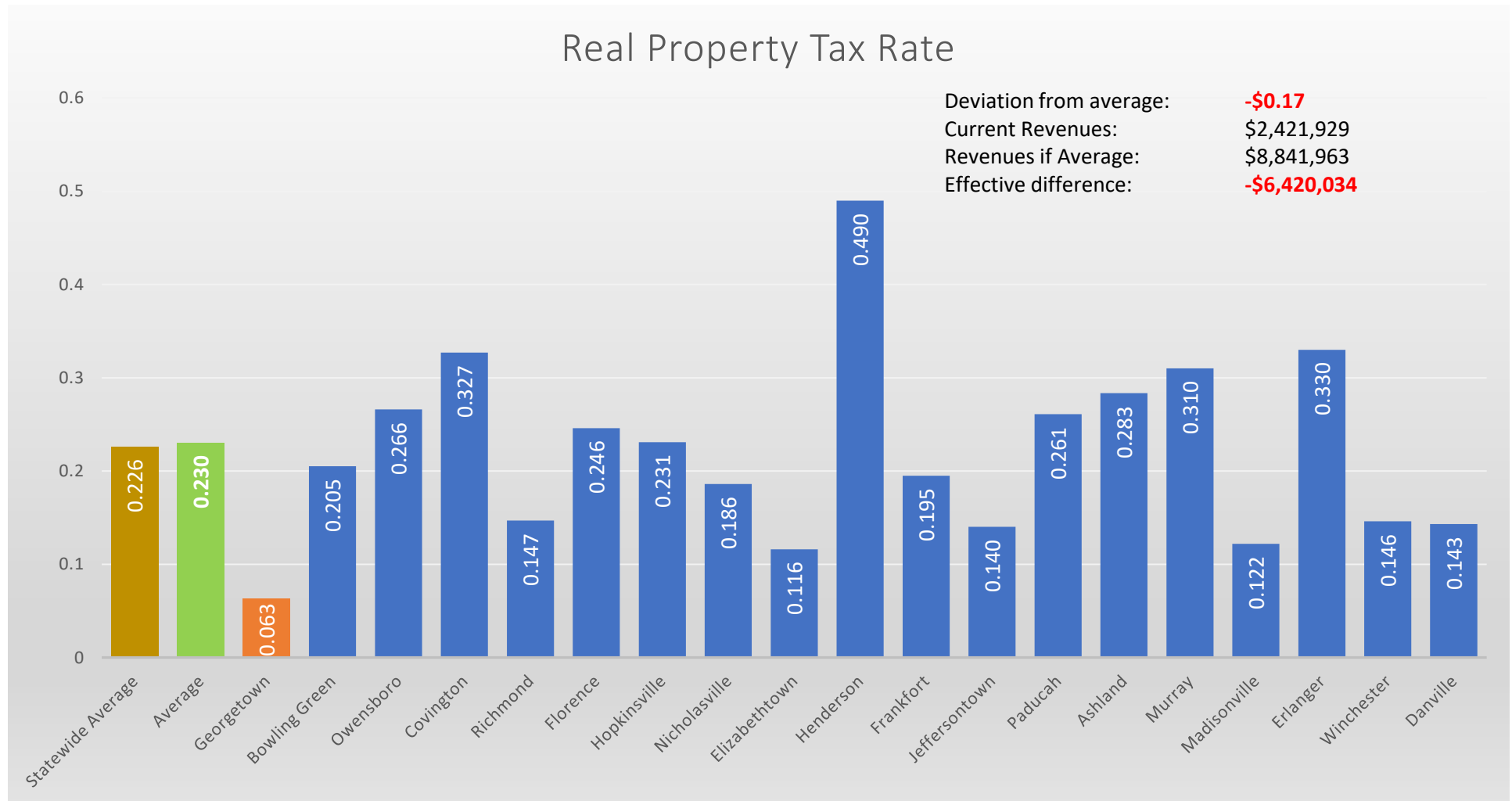
Supporting Finding 3.6: Property Tax Revenues per capita are extremely below average for comparable-sized cities.

The average property tax revenues per capita for the Sample Cities in 2018 was \$169. Georgetown's property tax revenues per capita was less than half the average at \$69 with annual revenue of \$2,421,929. The next lowest per capita revenue was \$27. If Georgetown generated average property tax revenues per capita, **its annual property tax revenues would be roughly \$3.3 million higher.**



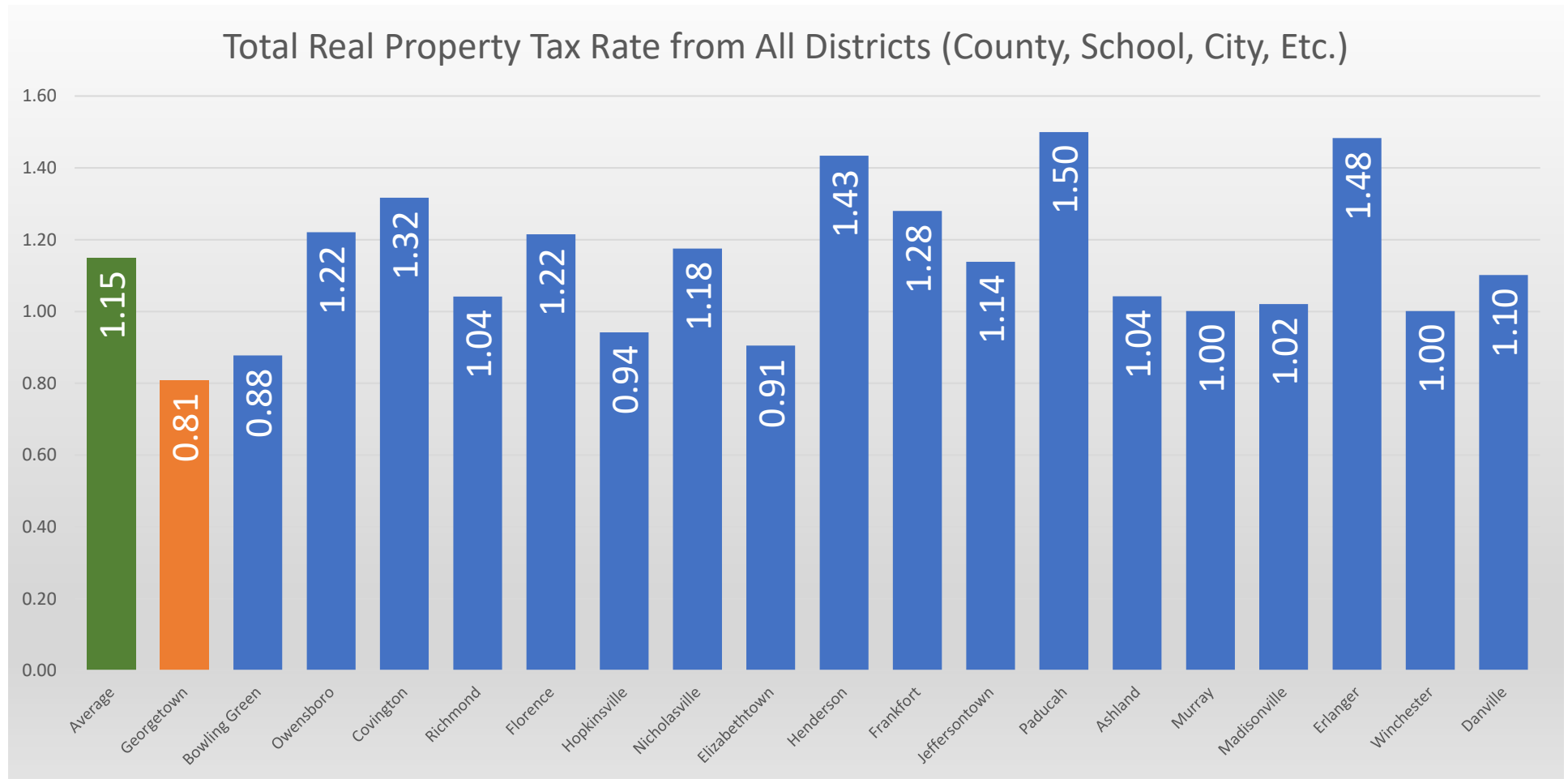
Supporting Finding 3.7: Georgetown's property tax rate is extremely low.

The average property tax rate for the Sample Cities is \$0.224 per \$100 of assessed value. Georgetown's rate is \$0.063 per \$100 with annual revenues of around \$2.4 million. The next lowest rate among the Sample Cities is nearly twice as much as Georgetown's. If Georgetown's rate was at the average, it would generate approximately \$8.8 million in property taxes.



Supporting Finding 3.8: Residents of Georgetown have a lower total property tax burden than all other sample cities.

When compared to the total real property tax rate for all taxing districts (including within the Sample Cities (including school, city, county and special taxing districts, but excluding state property taxes) within the Sample Cities), Georgetown has the lowest rate at \$0.81 per \$100 of property value. The average total property tax bill is \$1.15. On a \$200,000 property, a resident of Georgetown will pay approximately \$680 less in annual real property taxes than the average. On the same \$200,000 property, a resident of Georgetown will pay \$780 less than the average resident of Lexington (\$1.20 per \$100).



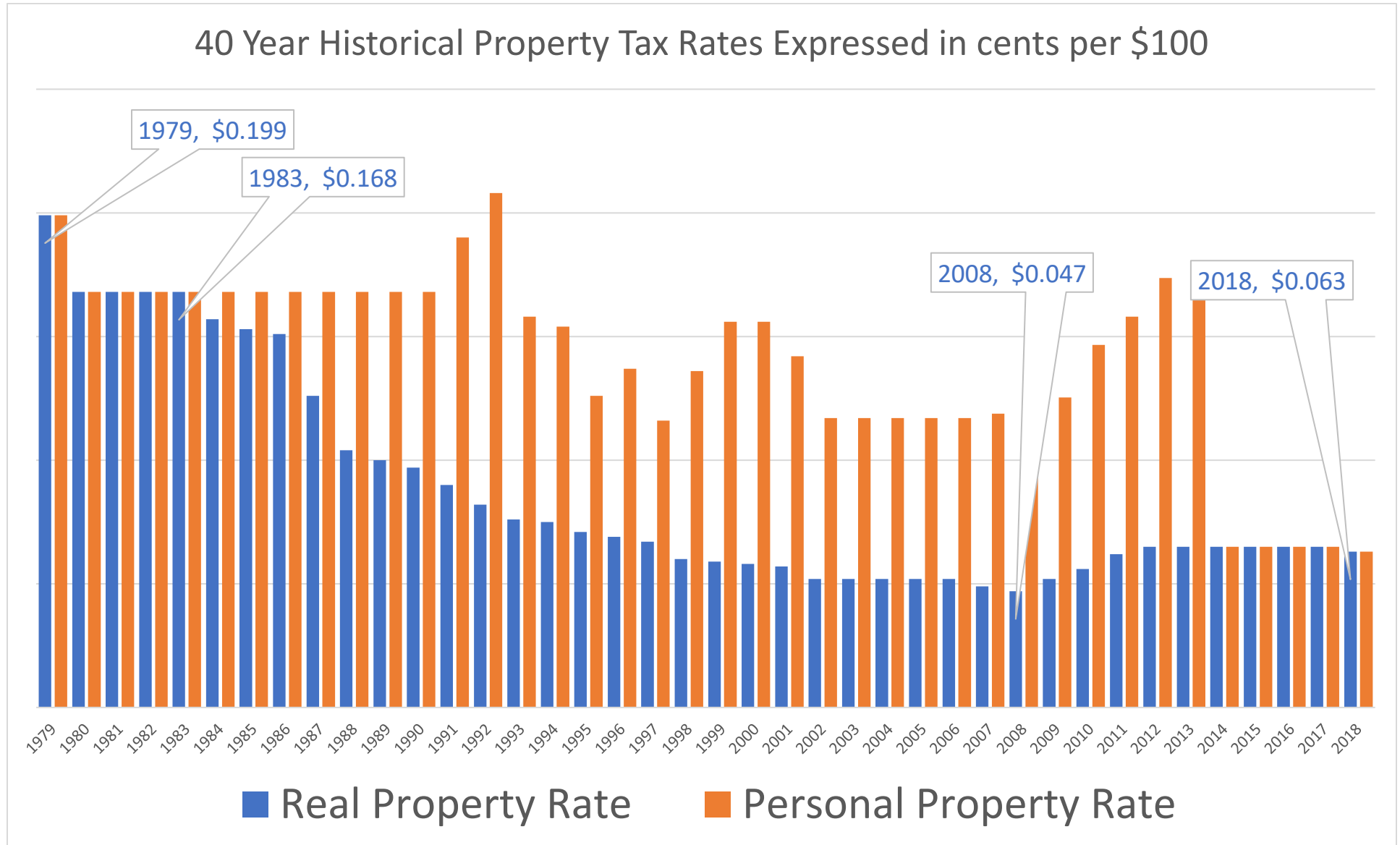
Supporting Finding 3.9: Georgetown's Real Property Tax Rate ranks 395th out of 406 cities (1st percentile) statewide.

Statewide Real Property Tax Rate Rankings

City	Rate	Rank out of 406		City	Rate	Rank out of 406
Henderson	\$0.490	13		Frankfort	\$0.195	224
Covington	\$0.327	64		Nicholasville	\$0.186	242
Erlanger	\$0.323	66		Richmond	\$0.147	295
Murray	\$0.310	78		Winchester	\$0.146	296
Ashland	\$0.283	105		Danville	\$0.143	299
Owensboro	\$0.266	124		Jeffersontown	\$0.140	302
Paducah	\$0.261	127		Madisonville	\$0.122	340
Florence	\$0.246	145		Elizabethtown	\$0.116	350
Hopkinsville	\$0.231	161		Georgetown	\$0.063	395
Bowling Green	\$0.205	202				

Supporting Finding 3.10: Over the last 40 Years, property tax rates have been reduced by 68%.

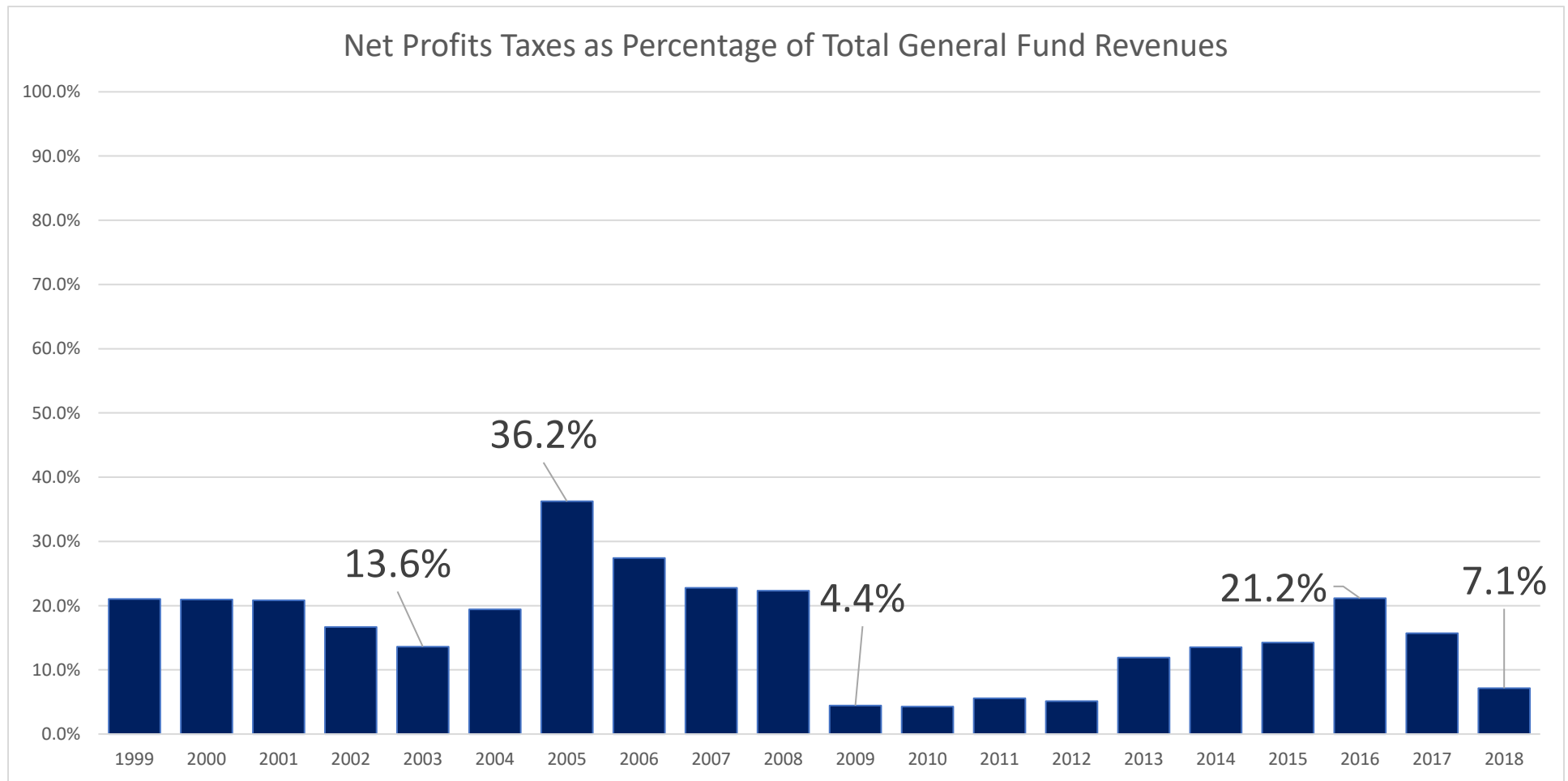
In 1979, Georgetown's real and personal property tax rates were \$0.199 per \$100 of assessed value. Over the course of 40 years, those rates were systematically reduced. In 2018, those rates were at \$0.063 per \$100 of assessed value. That is a 68% decrease. **For the last 20 years, the cumulative impact of these changes for real property alone is estimated to be a \$70 million loss.**



Major Finding 4: Net profits revenues account historically for a substantial portion of the City’s General Fund revenues but are highly volatile.

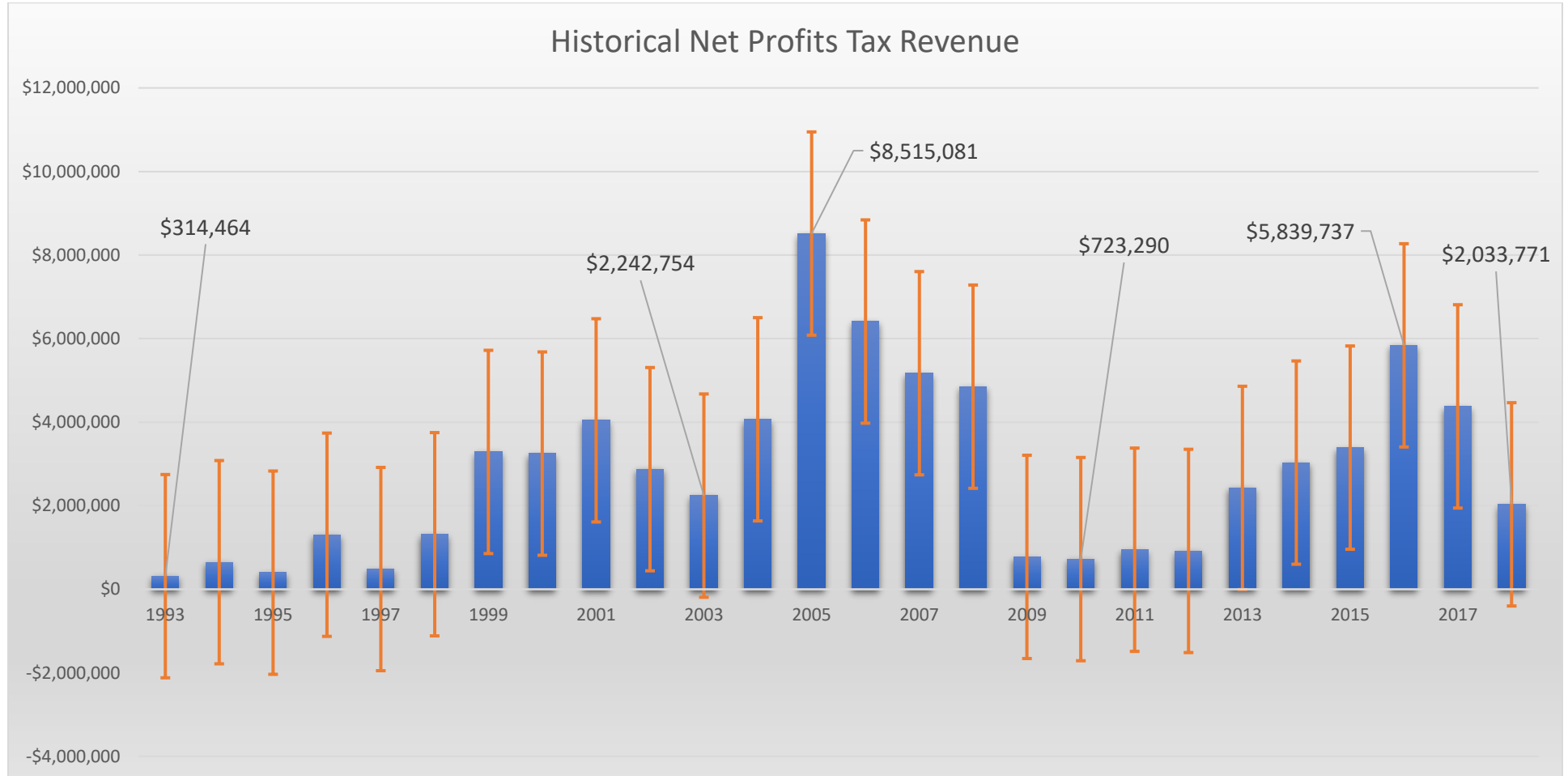
Supporting Finding 4.1 Net Profits accounts on average for 16% of total General Fund revenues, but that percentage ranges from 4% to 36%.

Over 26 years, Net Profits taxes accounted for \$73 million (16.0%) of the \$457 million in General Fund Revenues. That percentage, however, fluctuates greatly. For example, in 2005, Net Profits tax revenues accounted for 43.7% of General Fund revenues. Just 4 years later, Net Profits revenues accounted for only 4.5% of General Fund revenues.

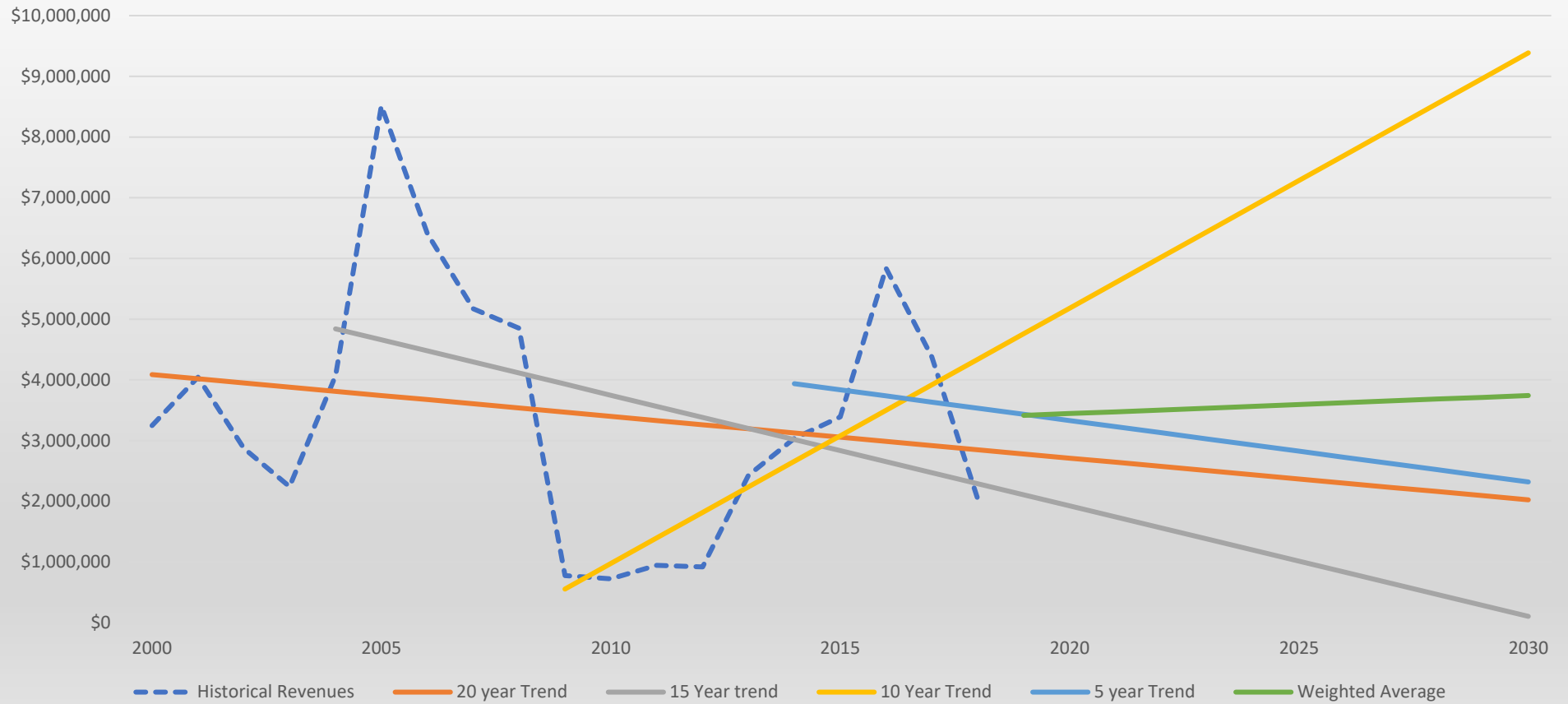


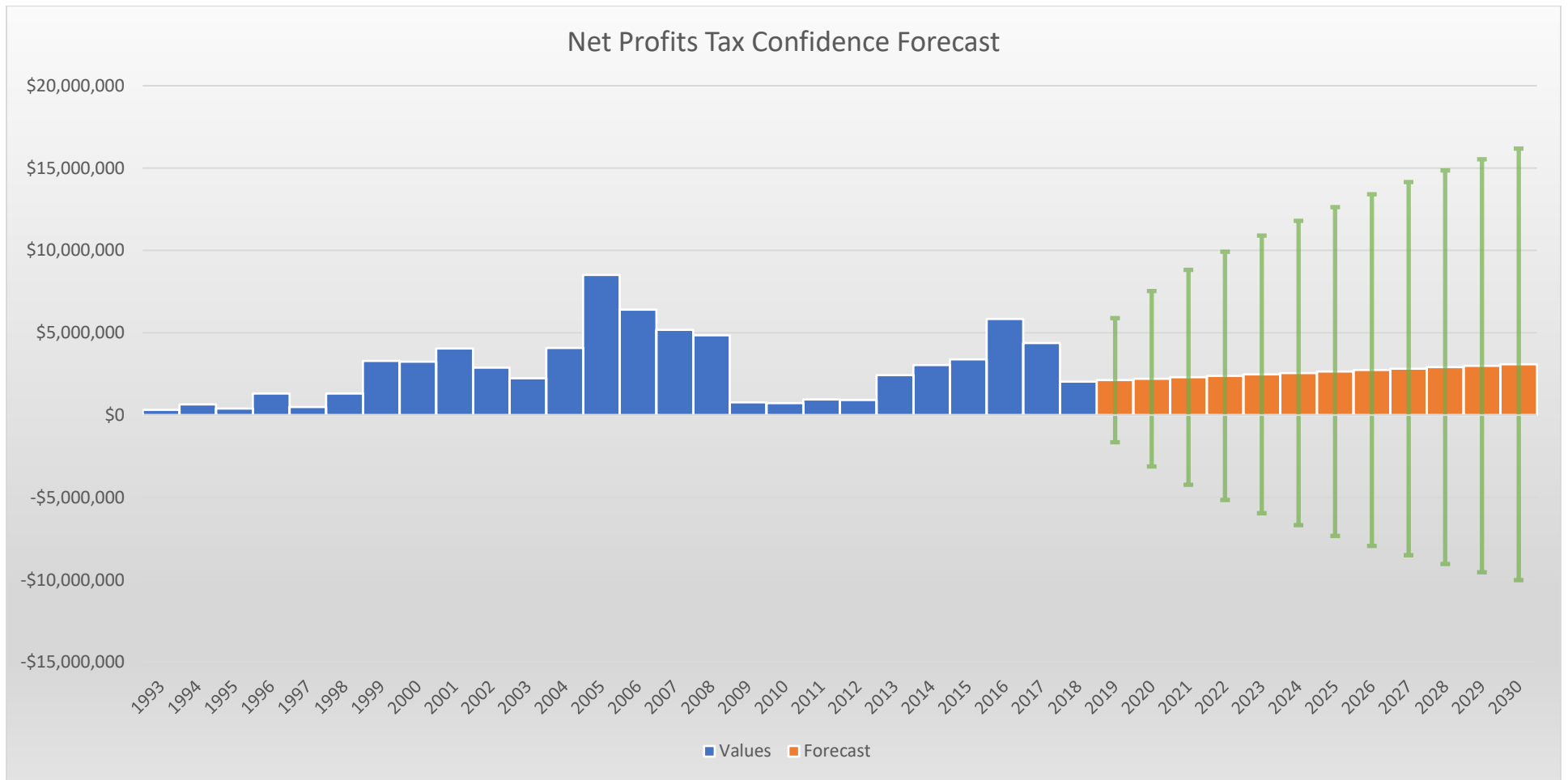
Supporting Finding 4.2: Net Profits tax revenues are extremely difficult to project due to wildly fluctuating numbers.

The City generated average annual net profits revenues over the last 26 years of \$2.8 million; \$7 million over the last 20 years; and \$2.4 million over the last 10 years. On average, there is a **\$4.8 million window** within which the city must estimate net profits revenues when budgeting. That window potentially comprises **20% of the budget**. There were five years where the year to year change in net profits revenues exceeded \$2 million. There were two years, where net profits revenues changed by more than \$4 million. Between 2003 and 2009, net profits first increased by \$6.2 million, then subsequently decreased by \$7.7 million.



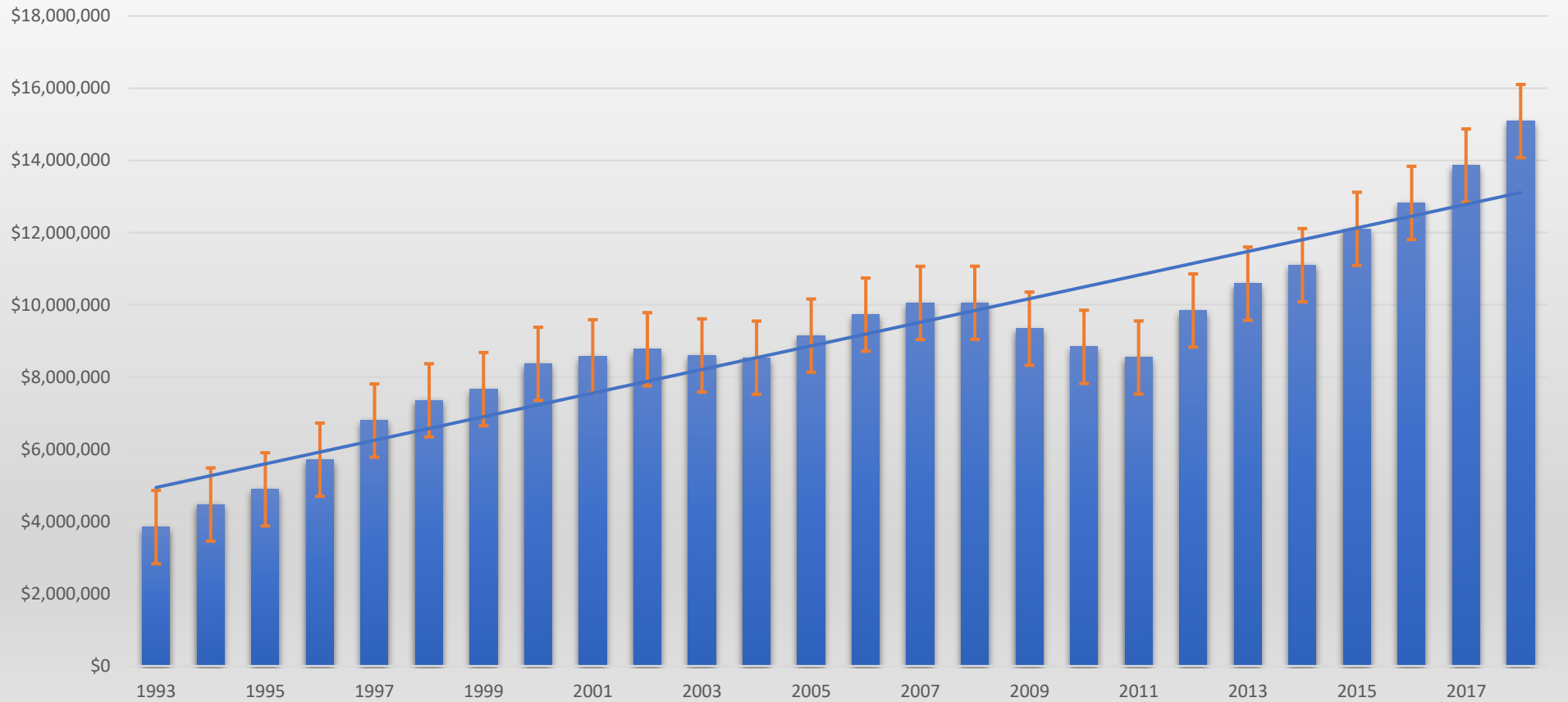
Historical Net Profits Trends/Forecasts



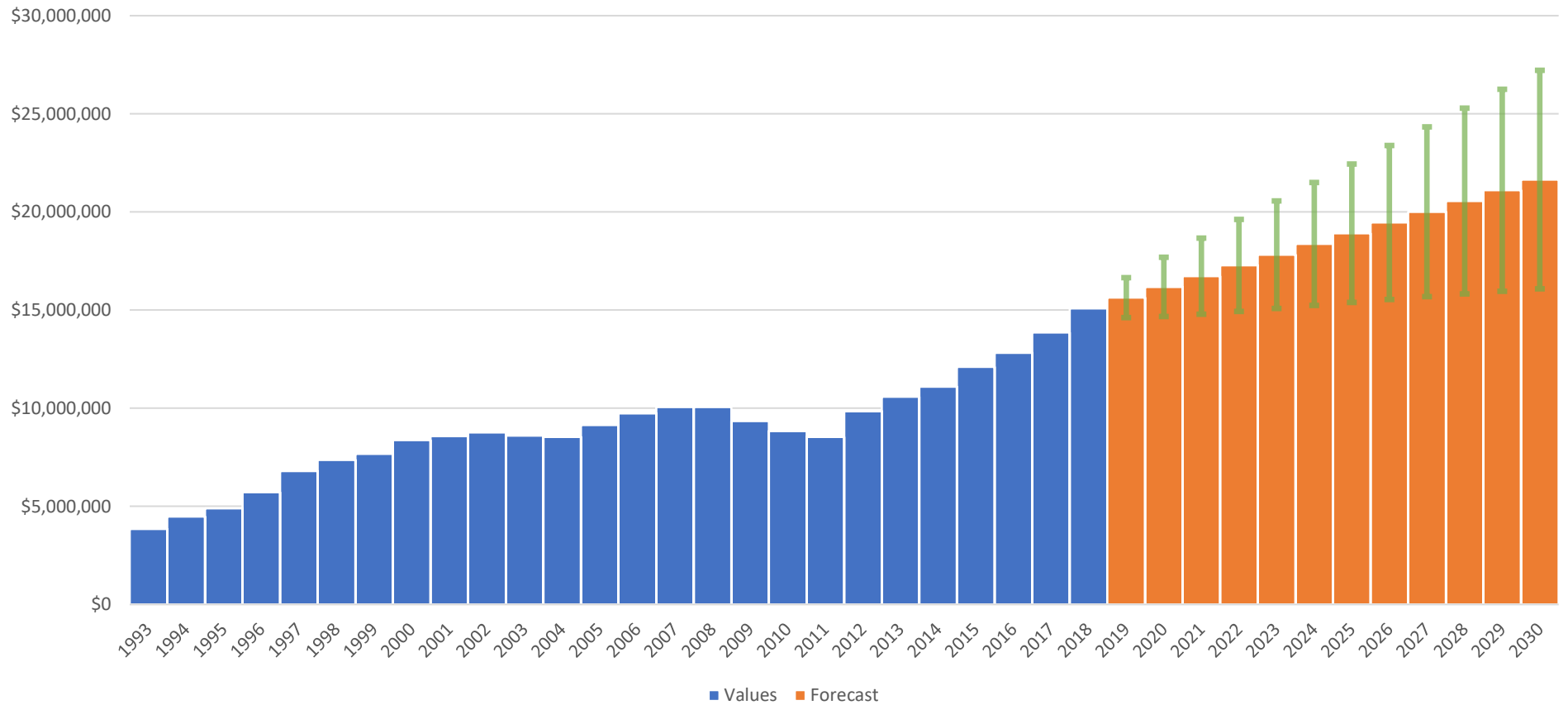


Comparatively, the average annual payroll revenues over 26 years is \$9 million; 10 million over the last 20 years; and \$11.2 million over the last 10 years. On average, there is a **\$2 million window** within which the city must estimate payroll tax revenues when budgeting.

Historical Payroll Tax Revenue



Payroll Tax Confidence Forecast



Major Finding 5: Georgetown ranks at the bottom in police and fire spending per capita and per capita police and fire spending is historically declining.

Georgetown spends comparatively less on public safety than other cities of its size. Compared to the Sample Cities, Georgetown ranks **18th out of 19** in police spending per capita and **15th out of 18** in fire spending per capita. In terms of public safety employment, Georgetown ranks **19th out of 19** in police officers per 1,000 residents and **12th out of 13¹** in firefighters per 1,000 residents.

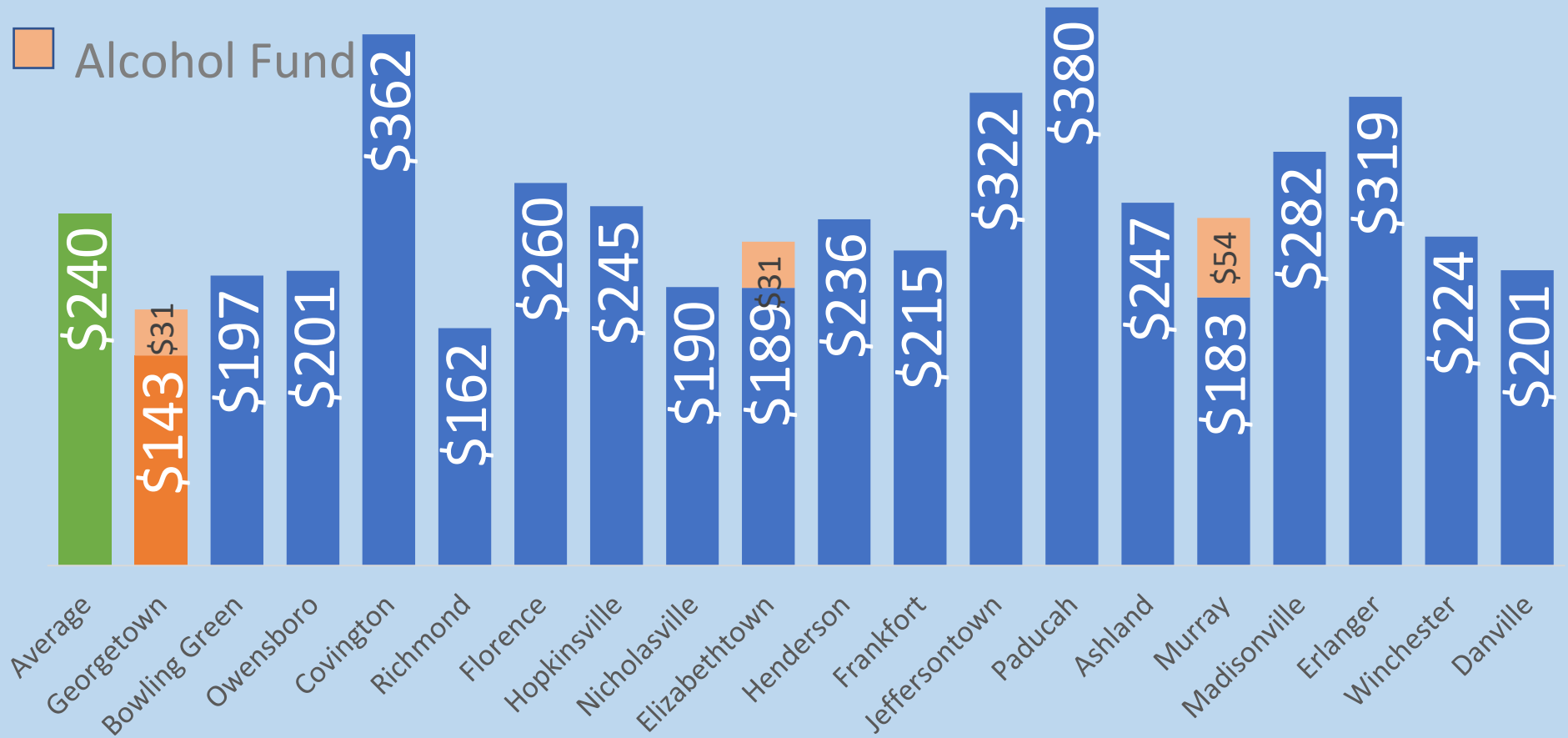
Supporting Finding 5.1: Police Spending per capita is significantly below average.

Including the \$1 million Georgetown generates in alcohol regulatory fees, the City spends \$66 less per capita than its peers. It would have to spend about \$2.2 million more annually to close this gap.

¹ Data was unavailable for several cities.

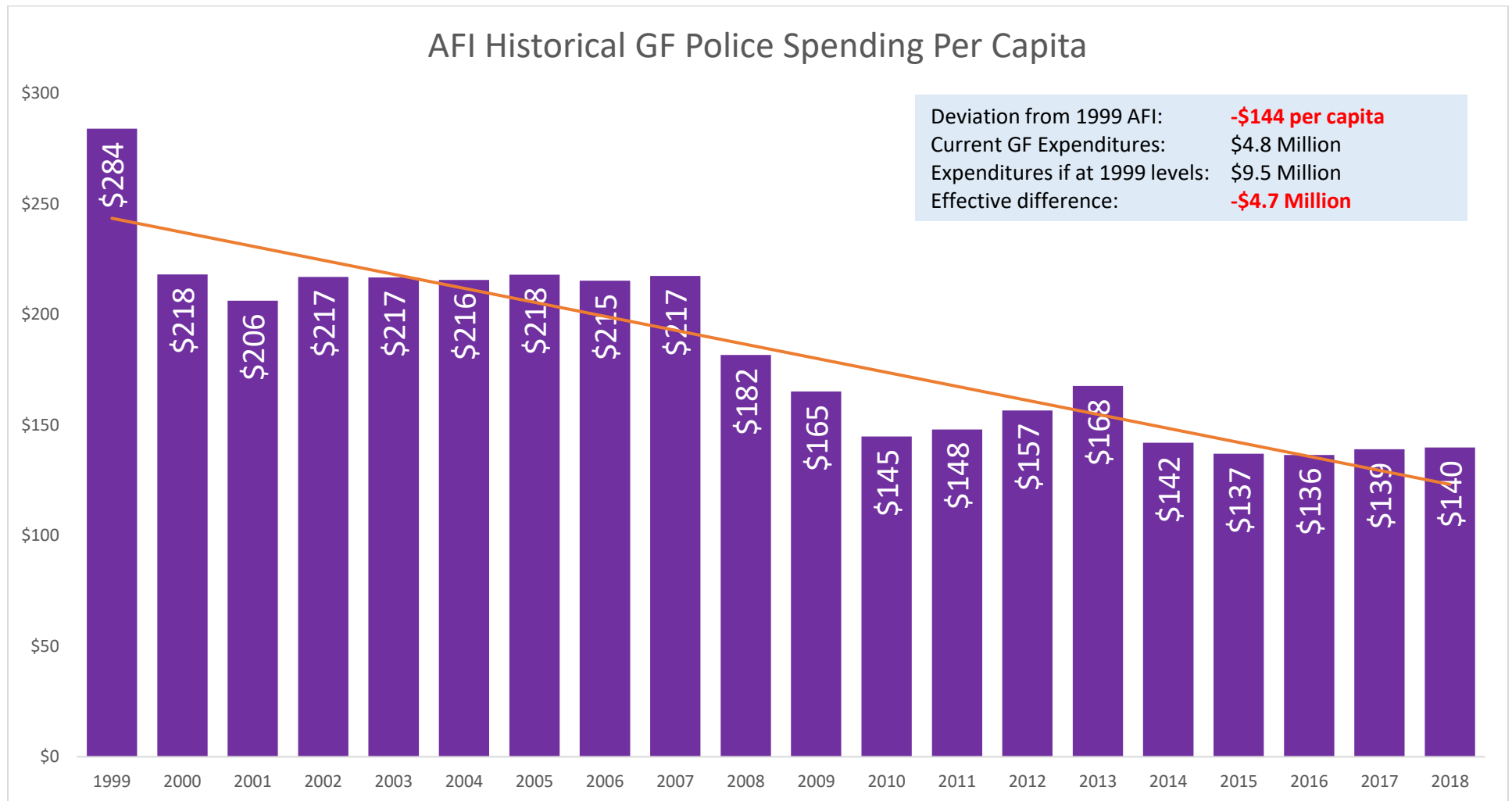
Police Spending Per Capita

Alcohol Fund



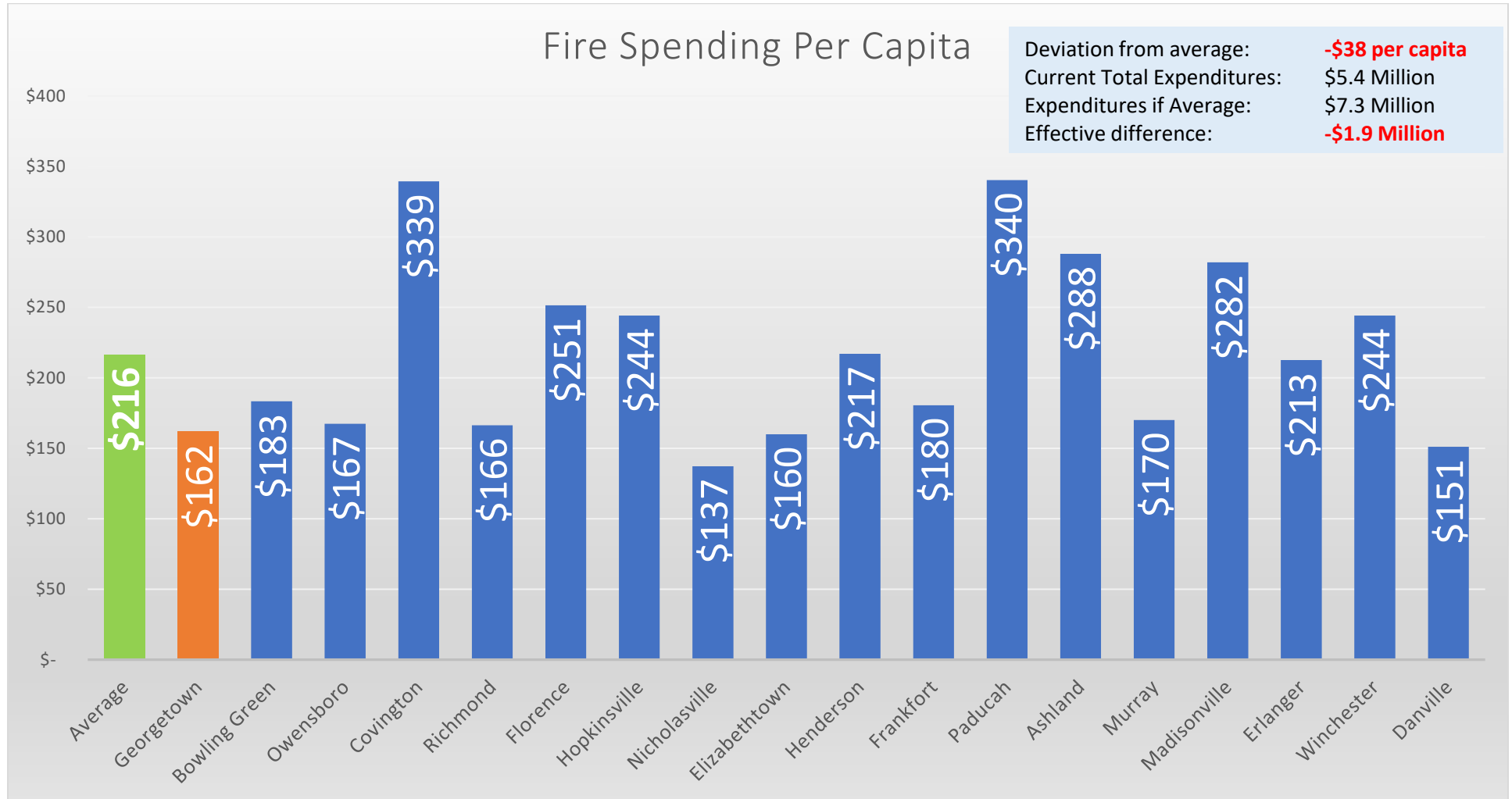
Supporting Finding 5.2: Historical police spending per capita is significantly declining, is less than half of what it was 20 years ago and is 44% less than the average over 25 years.

When adjusted for inflation, police spending per capita has declined from a high of \$284 per capita in 1999 to \$140 per capita in 2018. The average per capita over 20 years is \$183. If Georgetown spent today what it spent in AFI per capita in 1999, it would spend **\$5,166,667 (110%) more annually on police**. If Georgetown spent today what it spent in AFI per capita on average over the last 25 years, it would spend **\$2,078,030 (44%) more annually**.



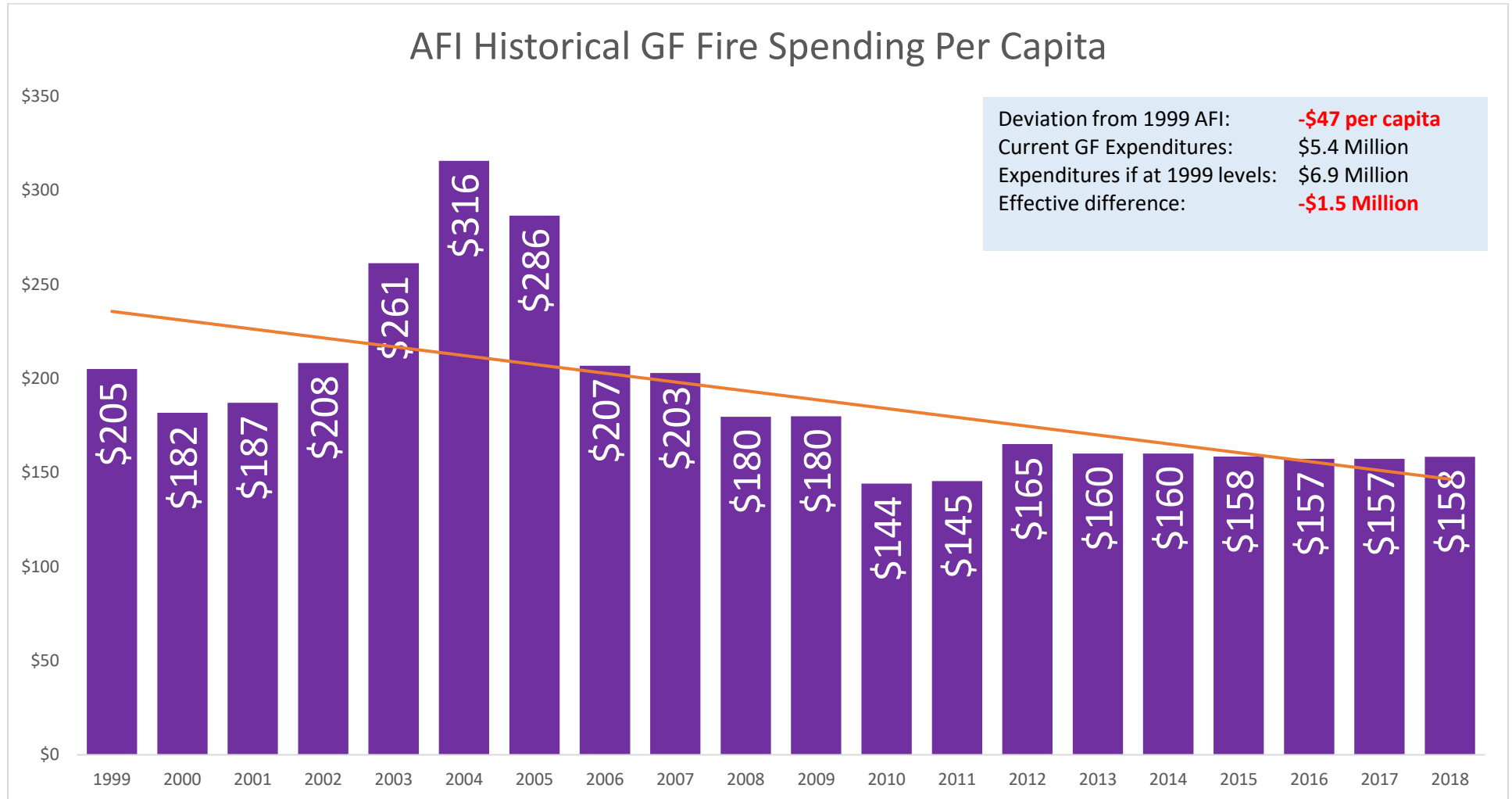
Supporting Finding 5.3: Fire spending per capita is below average.

The average fire spending per capita in the Sample Cities is \$216. Georgetown spent \$162 per capita, with current expenditures of \$5.4 million. If Georgetown spent the average, it would spend **\$1.9 million more annually**.



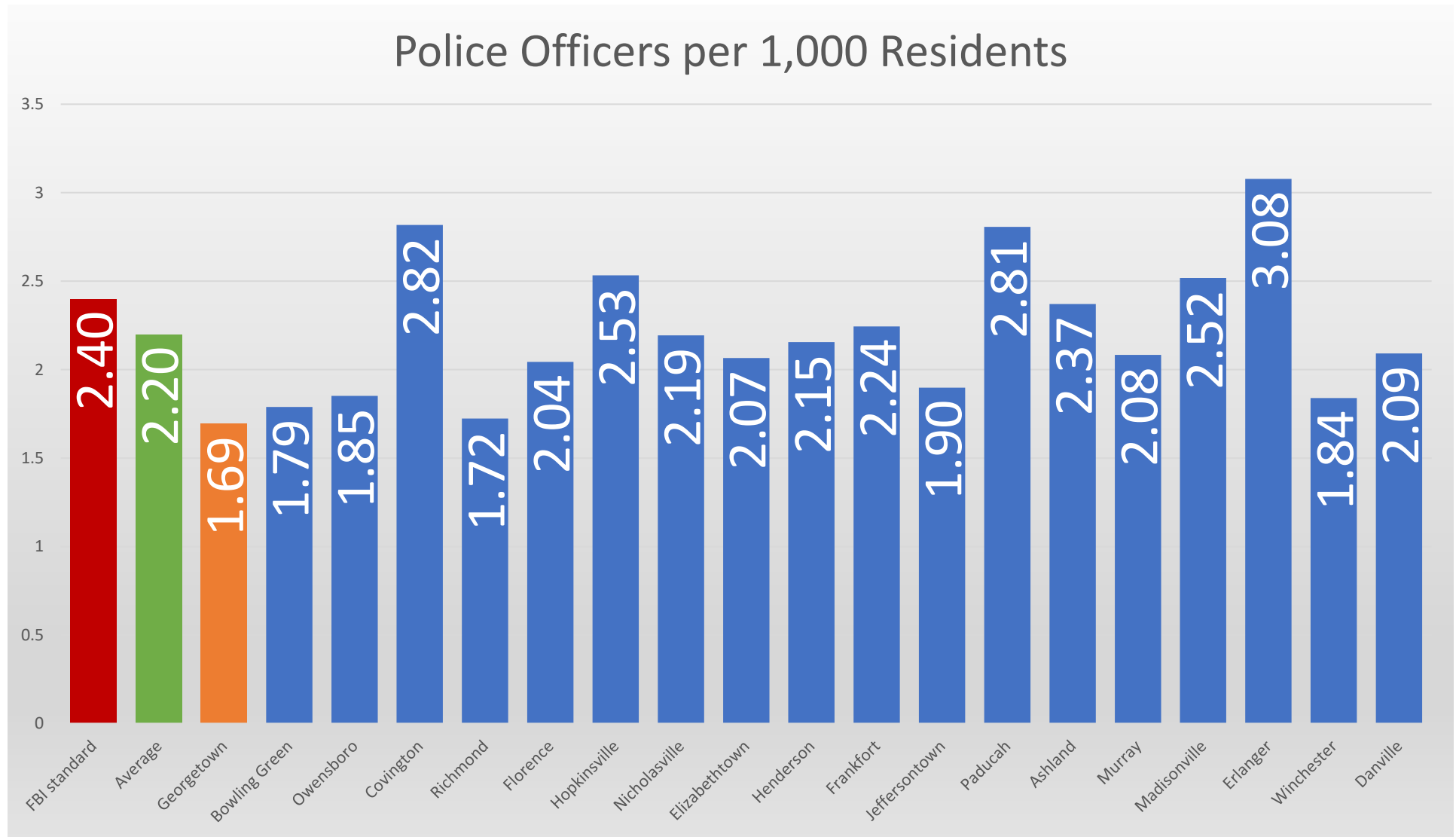
Supporting Finding 5.4: Historical fire spending per capita is down from previous and is 15% less than the average over 25 years.

When adjusted for inflation, fire spending per capita has declined from a high of \$316 per capita in 2004 to \$157 per capita in 2017. However, the years of 2003 to 2005 were unusually higher than other years, due to a SAFER grant. Georgetown has spent an average AFI per capita over the last 20 years of \$191. If Georgetown spent today what it spent in AFI per capita in 1999, it would spend **\$1.5 million more annually on fire**. If Georgetown spent today what it spent in AFI per capita on average over the last 20 years, it would spend \$777,285 (15%) more annually on fire.



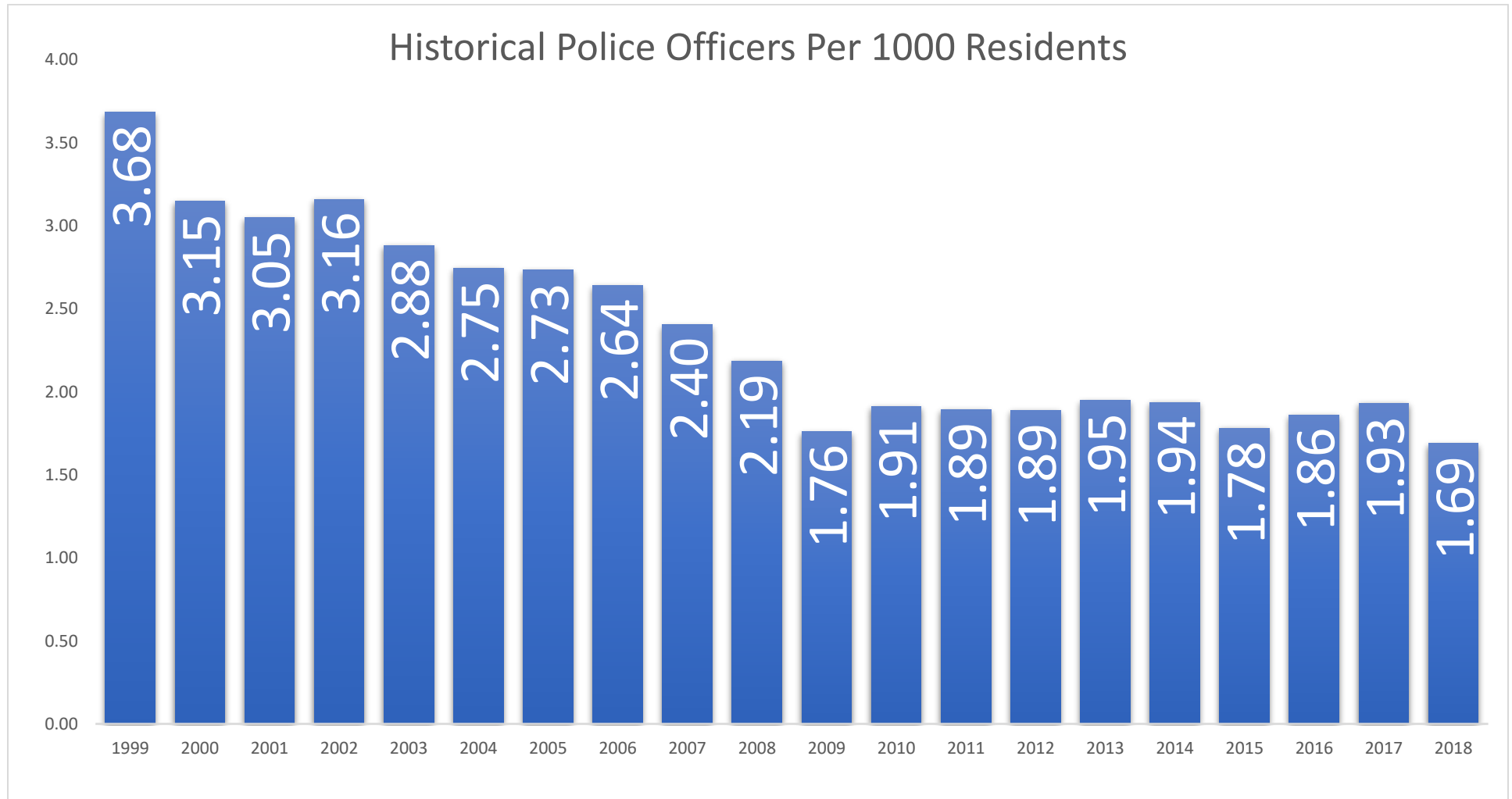
Supporting Finding 5.5: Georgetown employs fewer police officers per 1,000 residents than all the Sample Cities.

The average police officers employed per 1,000 residents in the Sample Cities is 2.20. The FBI Standard is 2.4 officers per 1,000 residents. Georgetown employs 1.69 officers per 1,000 residents. If Georgetown employed the average per resident, it would **employ 17 more police officers**. If it employed the FBI standard, it would employ 23 more officers. **Georgetown ranks 19th out of 19 in police officers per 1,000 residents.**



Supporting Finding 5.6: Georgetown employs fewer police officers per 1,000 residents than in past years and fewer than its historical average.

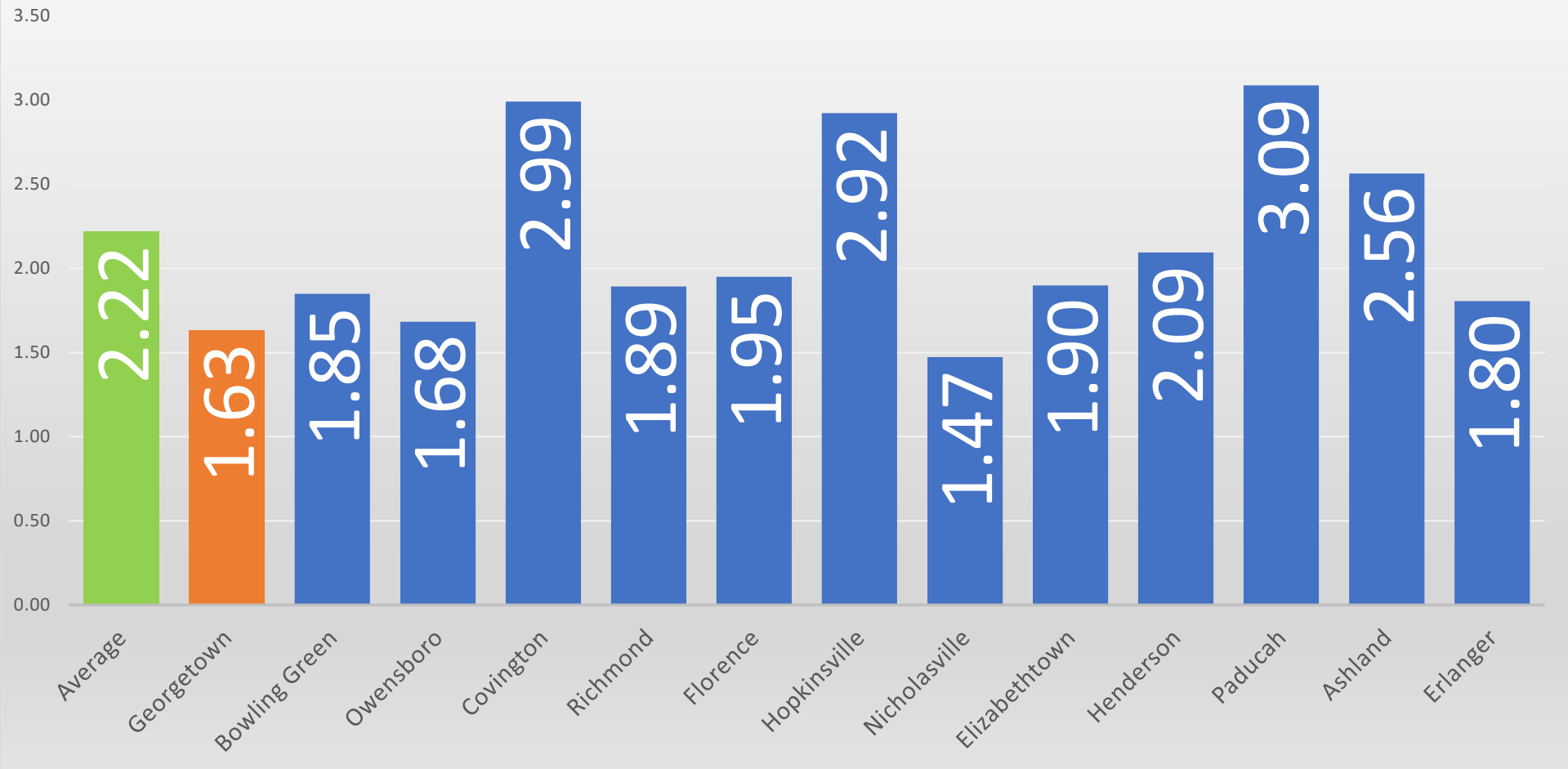
In 1999, Georgetown employed 3.68 officers per 1,000 residents. Today, it employs 1.69 officers per 1,000 residents. Over the last 25 years, Georgetown has employed an average of 2.43 officers per 1000 capita. If Georgetown employed the historical average today, **it would employ 25 more police officers.**



Supporting Finding 5.7: Georgetown employs fewer firefighters per 1,000 residents than the average.

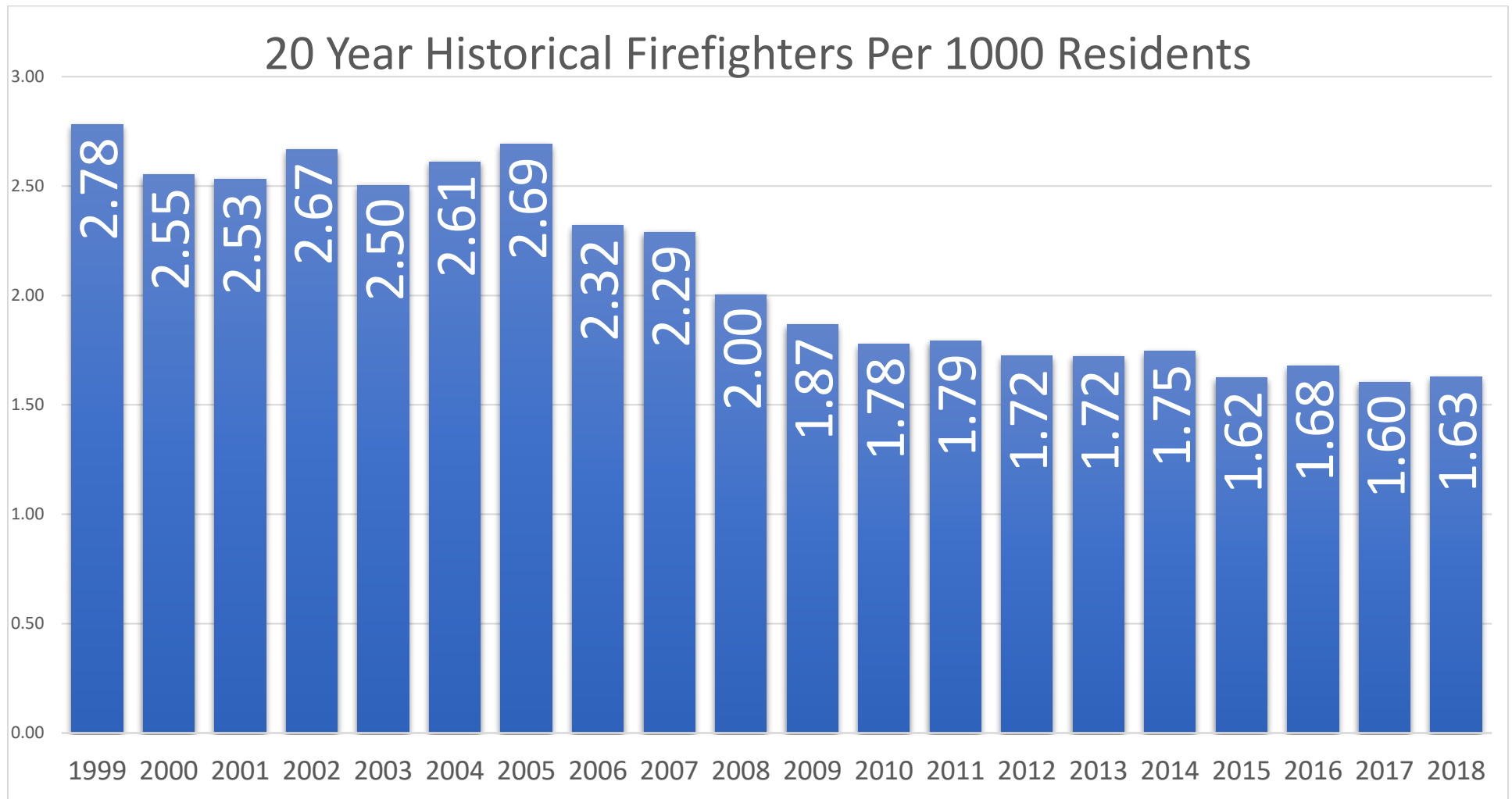
The average firefighters employed per 1,000 residents in the Sample Cities is 2.22. Georgetown employs 1.63 firefighters per 1,000 residents. If Georgetown employed the average per 1,000 residents today, it would **employ 20 more firefighters.**

Firefighters Per 1000 Residents



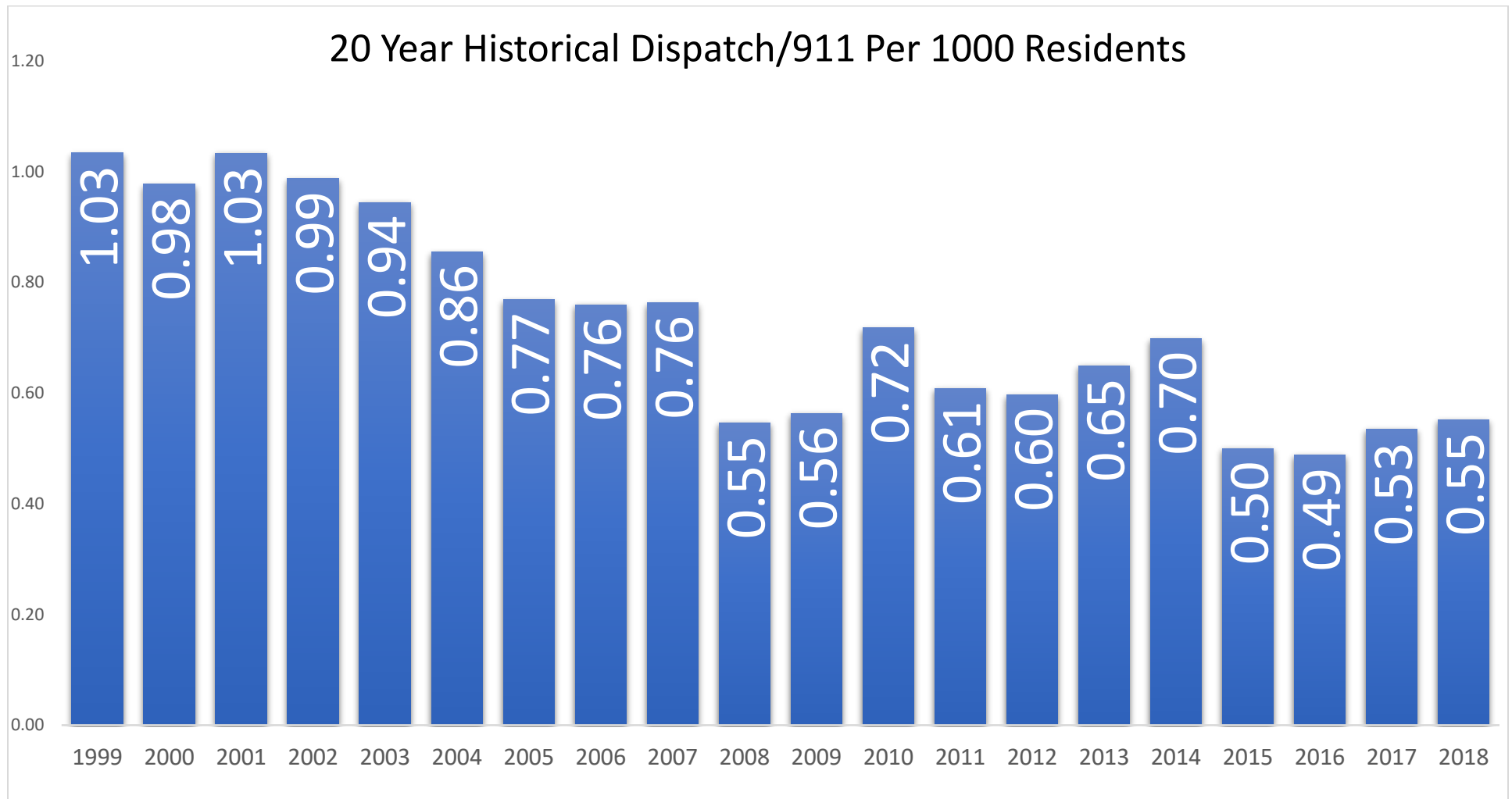
Supporting Finding 5.8: Georgetown employs fewer firefighters per 1,000 residents than in past years and fewer than its historical average.

In 1999, Georgetown employed 2.78 firefighters per 1,000 residents. Today, it employs 1.63 firefighters per 1,000 residents. Over the last 25 years, Georgetown has employed an average of 2.1 firefighters per 1,000 capita. If Georgetown employed the historical average today, **it would employ 16 more firefighters**. Georgetown ranks **12th of 13 in firefighters** per 1,000 residents.



Supporting Finding 5.9: Georgetown employs fewer Dispatch/911 personnel per 1,000 residents than in past years and fewer than its historical average.

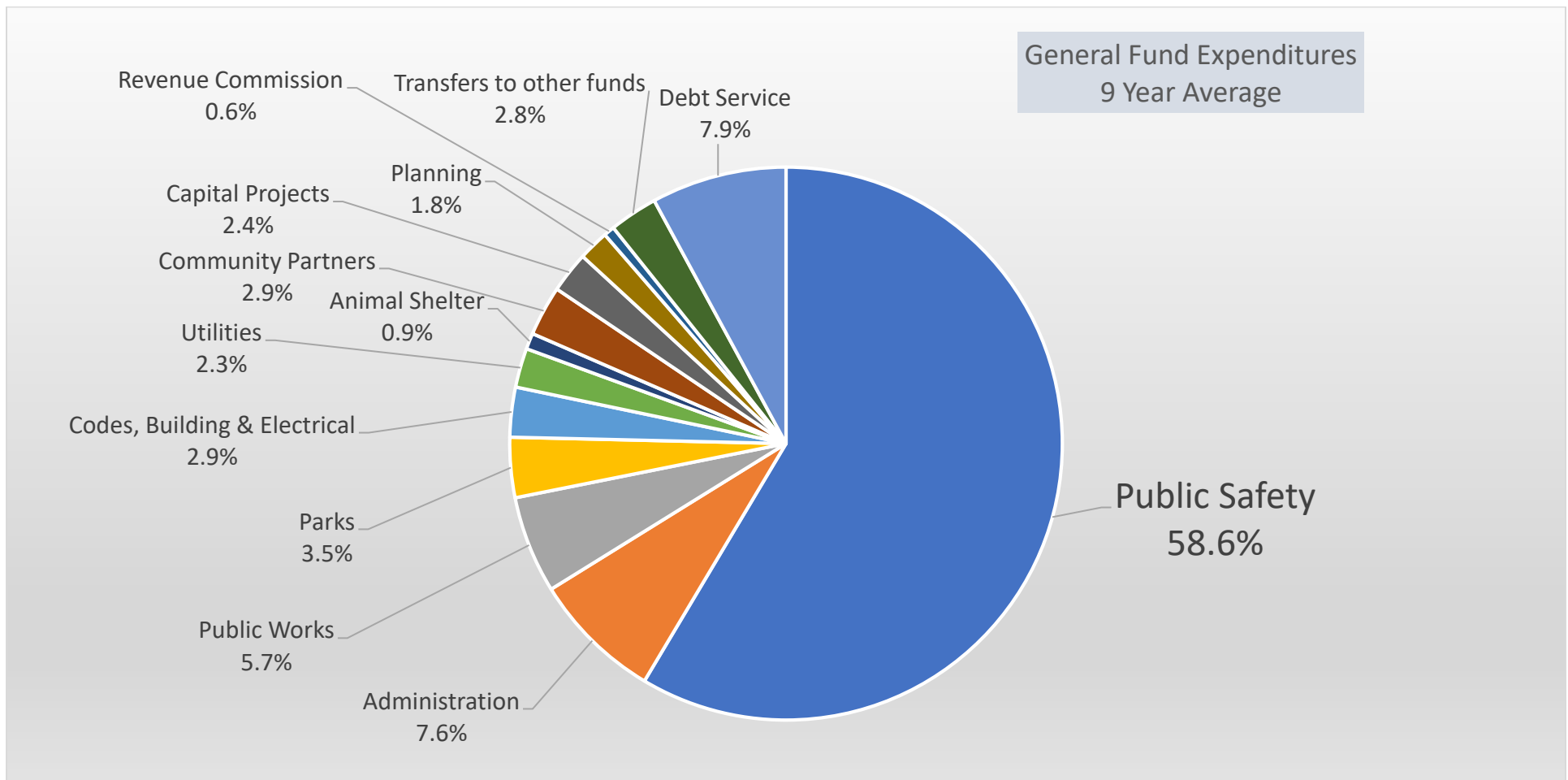
Between 1997 and 2002, Georgetown employed an average of 1.04 911/Dispatch personnel per 1,000 capita. Currently, the City employs roughly half that at 0.55 911/Dispatch personnel per 1,000 residents. Over the last 25 years, Georgetown has employed an average of 0.78 911/Dispatch personnel per 1,000 capita. If Georgetown employed the historical average today, **it would employ 8 more 911/Dispatch personnel.**

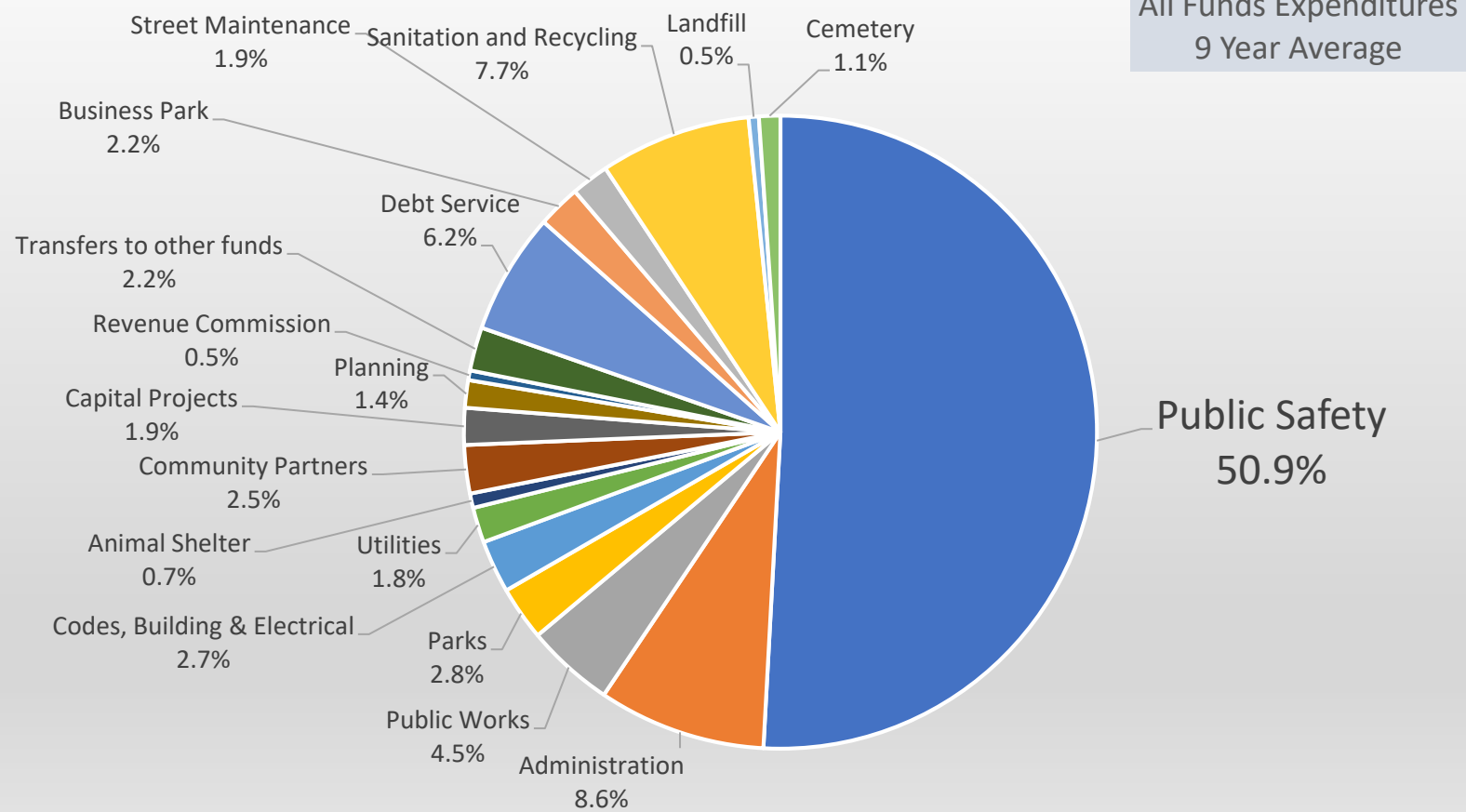


Major Finding 6: Public safety comprises most of the City's General Fund expenditures, and most public safety spending goes to personnel.

Supporting Finding 6.1: Public Safety accounts for 58% of General Fund Spending and 51% of All Funds spending.

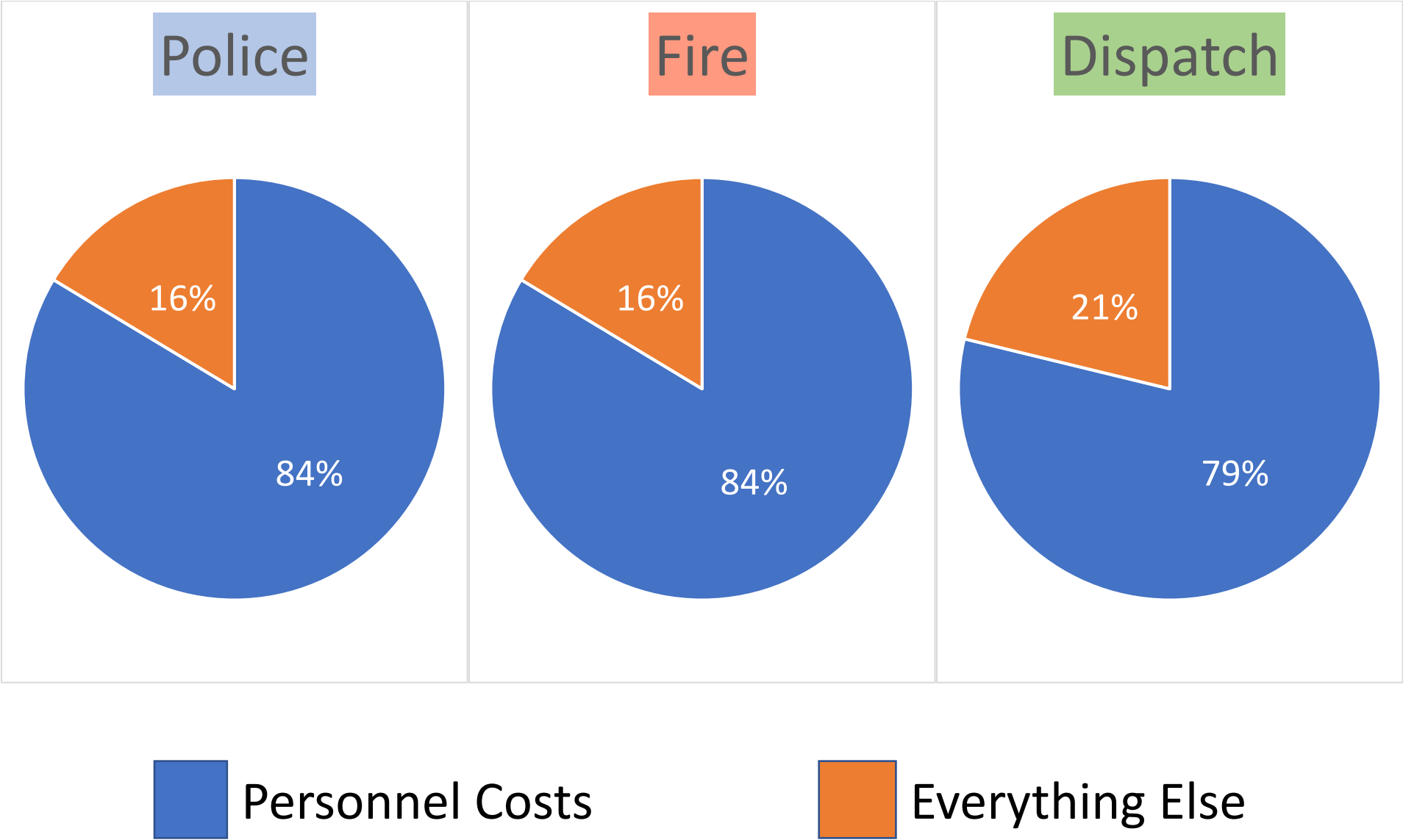
Over nine years, the City spent an average of \$13 million in General Fund dollars on public safety (police, fire, dispatch, EMS, EMA). That is 58% of the average of \$22.2 million in total General Fund expenditures. In the same period, the City spent an average of \$14.4 in All Funds dollars on Public Safety, which accounts for 50.9% of total All Fund spending of \$28.3 million.





Supporting Finding 6.2: Personnel expenses comprise 83% of Police, Fire and Dispatch General Fund spending.

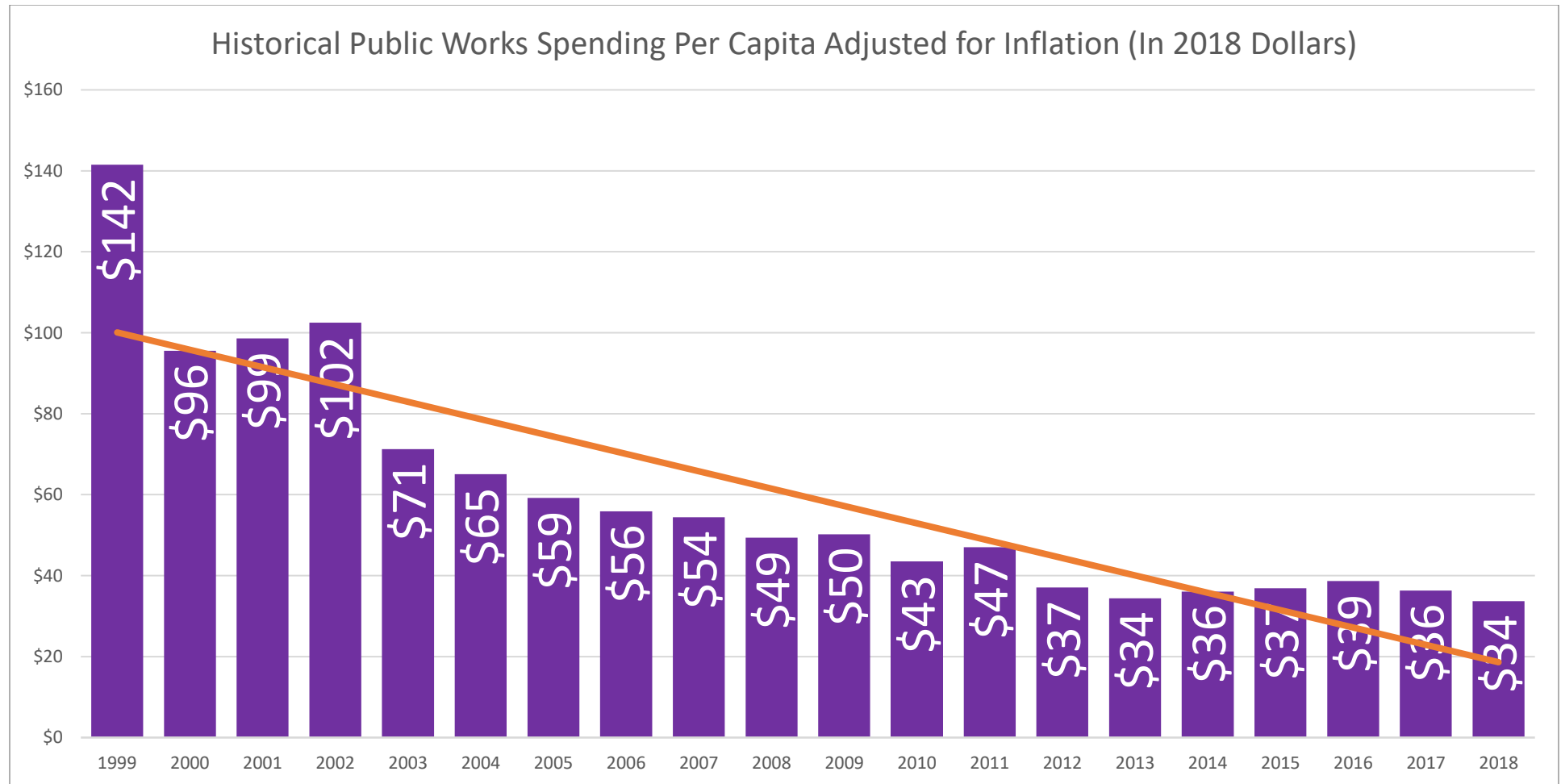
Over nine years, the City spent an average of \$11 million of General Fund dollars on police, fire and dispatch. Roughly 9 million (83%) of that went towards personnel costs (salary, benefits and taxes).



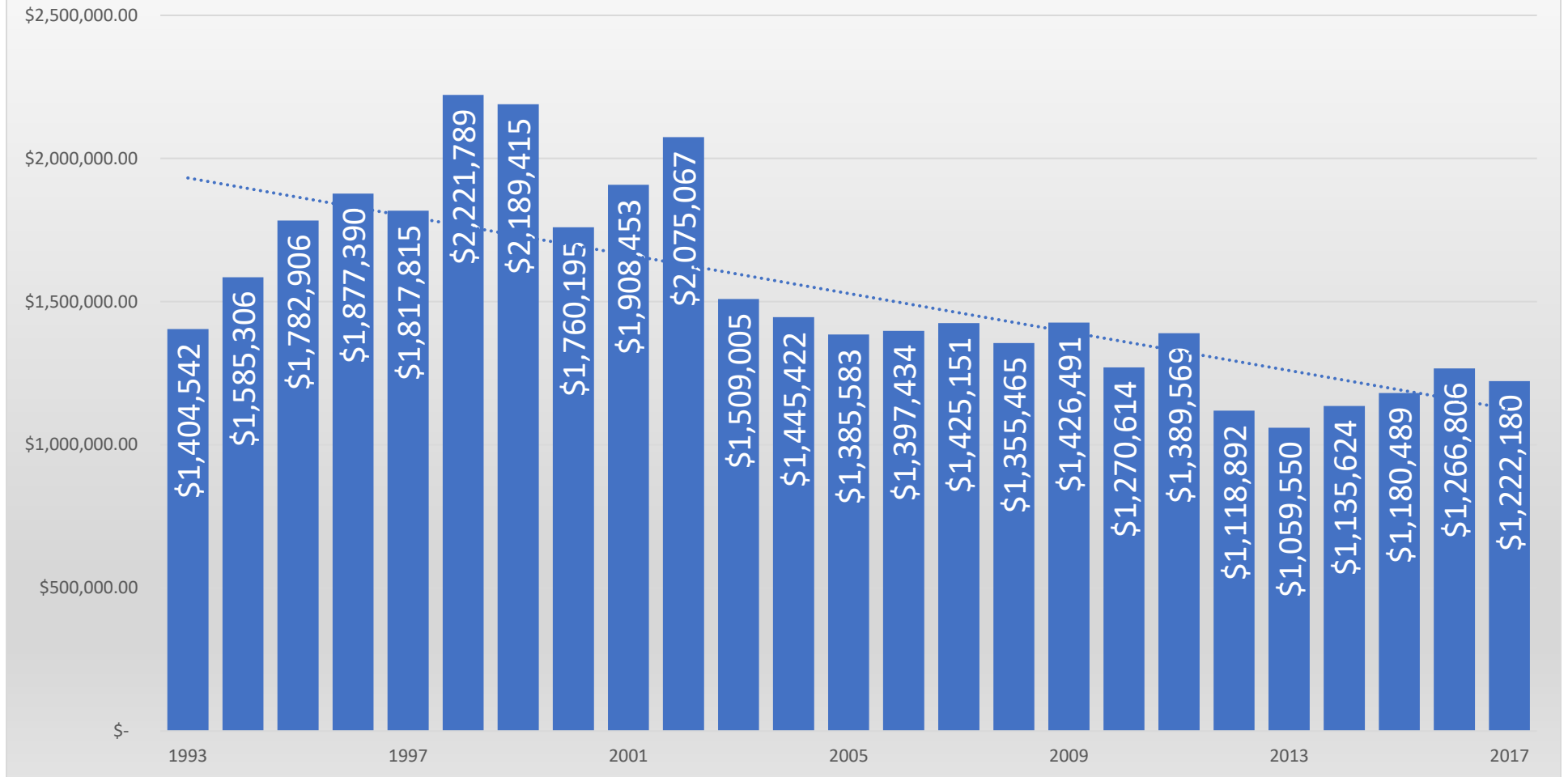
Major Finding 7: Public works spending is in extreme decline.

Supporting Finding 7.1: Public Works spending is in extreme decline, is only a fourth of what it was 20 years ago, and is 111% less than the average over 25 years.

When adjusted for inflation, public works spending per capita has declined from a high of \$148 per capita in 1998 to \$36.31 per capita in 2017. The trend shows a persistent and rapid decline in public works spending. The average per capita over 25 years is \$76.78. If Georgetown spent today what it spent in AFI per capita in 1998, it would spend **\$3.7 million (308%) more annually on public works**. If Georgetown spent today what it spent in AFI per capita on average over the last 25 years, it would spend **\$1.3 million (111%) more annually**.



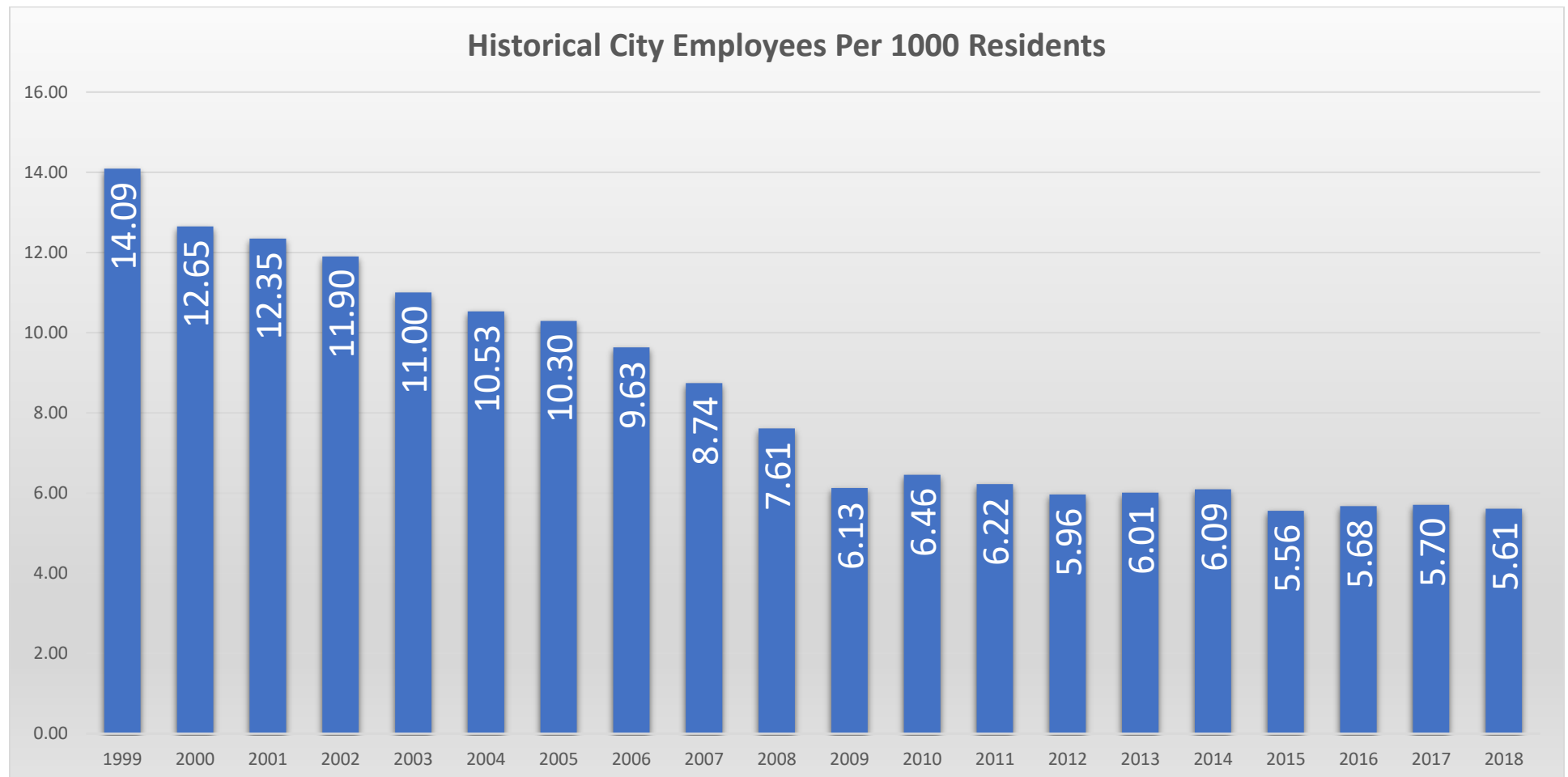
Historical Public Works Spending Adjusted for Inflation



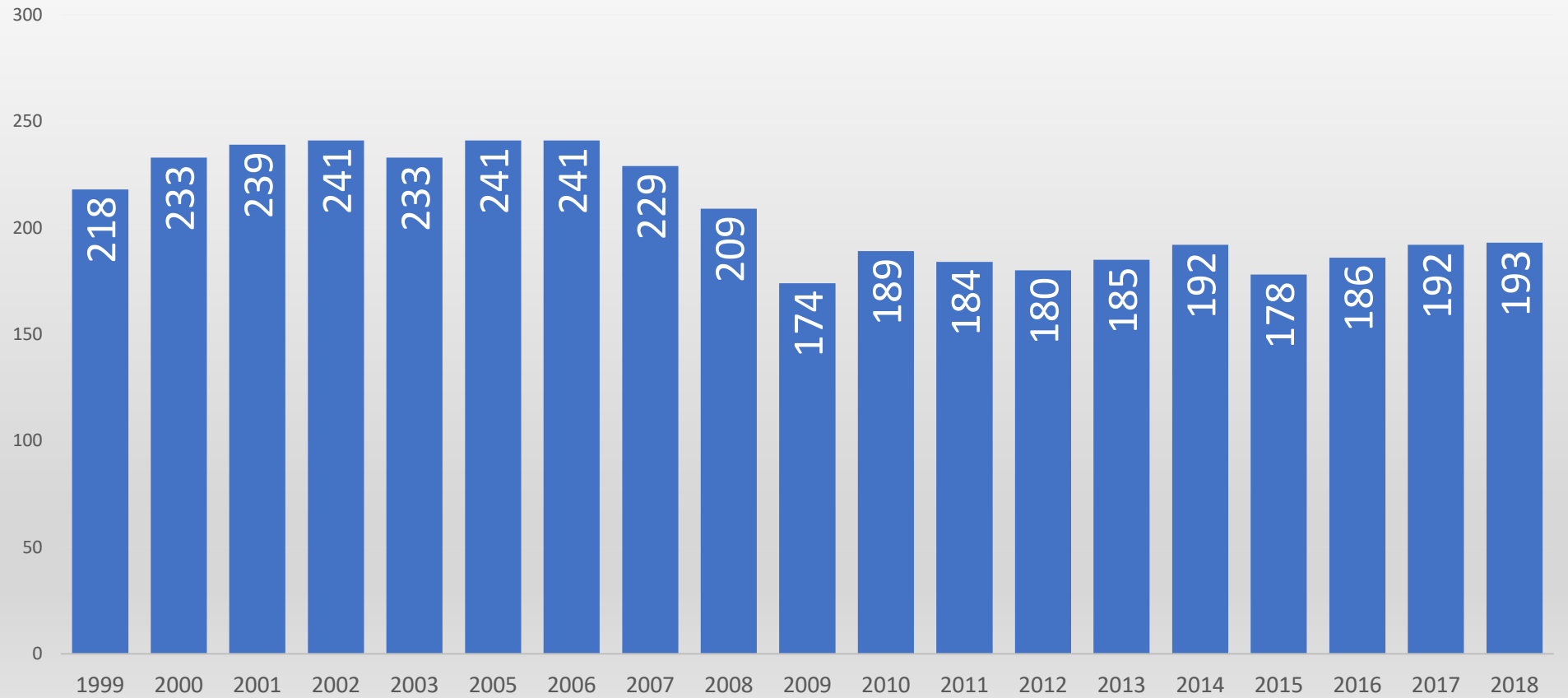
Major Finding 8: Georgetown's City Employment is down historically.

Supporting Finding 8.1: Georgetown's total city employees per 1,000 residents is 62% lower than 1999, and the City employs 49 fewer employees today than it did 15 years ago.

In 1999, Georgetown employed 14.09 city employees for every 1,000 residents. In 2018, the city employs 5.61 city employees per 1,000 residents. The average number of city employees from 2000 to 2006 was 237. The average city employees per 1,000 capita over 20 years is 8.41. If Georgetown employed the historical average today, **it would employ 96 more city employees.** Today, Georgetown employs a total of 193 employees, compared to 241 in 2006.



Historical Total City Employees



Major Finding 9: Two dedicated revenue sources fall far short of the expenditures they support.

The City uses Municipal Aid Program funds to repair and restore streets and CMRS Funds to pay for 911/Dispatch. Both revenue sources fail to cover the full costs of the programs they support. Both sources cover less than half of the program costs.

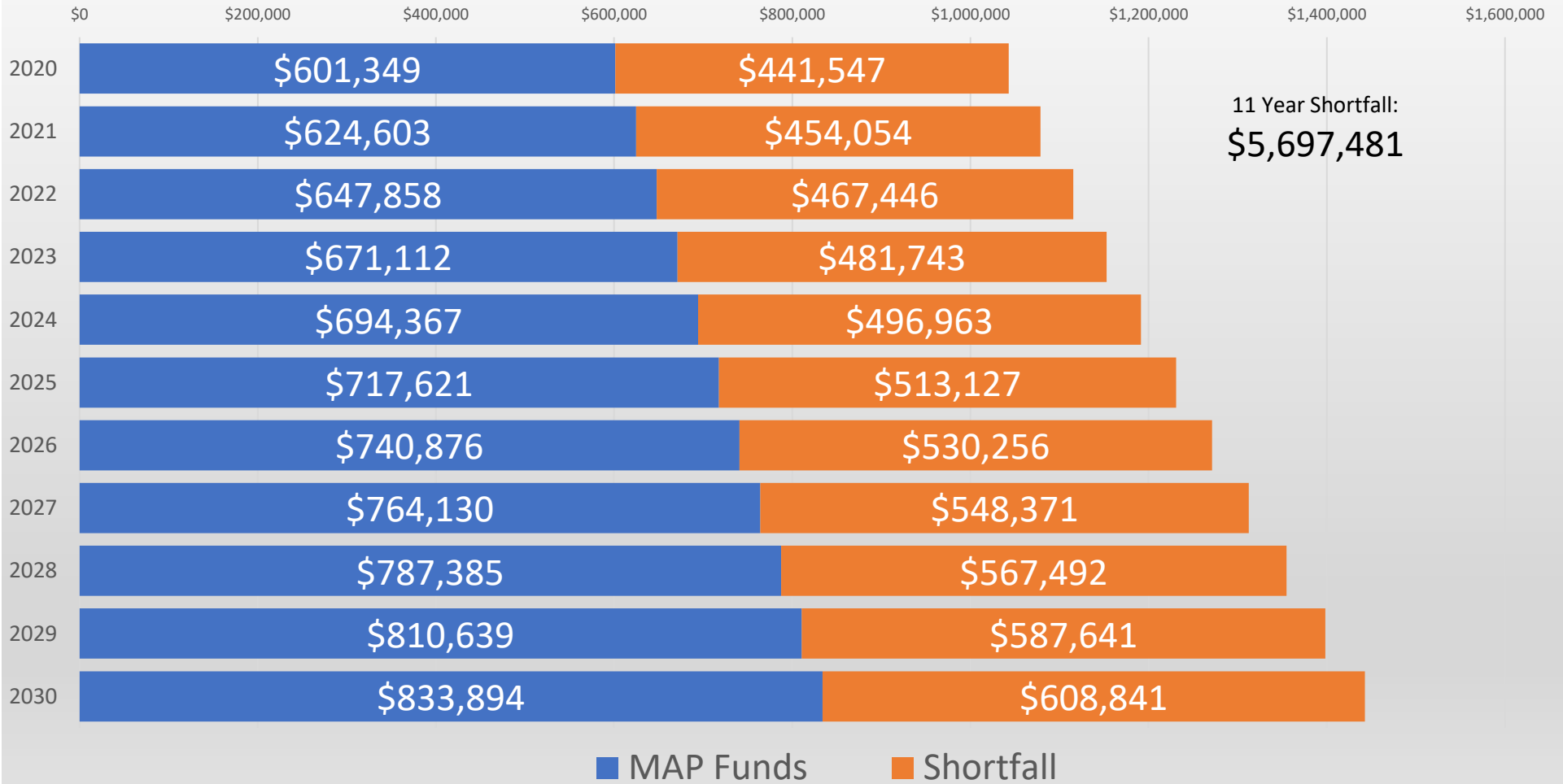
Supporting Finding 9.1 The General Fund will need to supplement MAP Funds for street maintenance costs in the amount of \$5.7 million over the next 11 years.

Currently, the city has 129 miles of street for which it is responsible. Over the last 20 years the city has accepted 33 miles (an average of 1.74 miles of streets per year). Today, then, it is fair to assume that 96 miles of dedicated city street are at least 20 years old. Each year, an average of 1.74 miles ages out and another 1.74 miles gets added to the total dedicated mileage. Consistent with the previous finding on Street Maintenance costs, over the course of the next 11 years, the cost to repave all streets on a 20-year basis, including new streets added during that time and including cost inflation, is \$13.6 million. The City is forecast to receive \$7.9 million in MAP funds. Thus, the city will need to add \$5.7 million in General Fund money to maintain the streets. Since the City has historically maintained streets exclusively with MAP funds, **100% of this increase will be additional.**

If the City does not supplement the MAP funds with General Fund dollars, the City will only be able to replace streets every **34 years**.

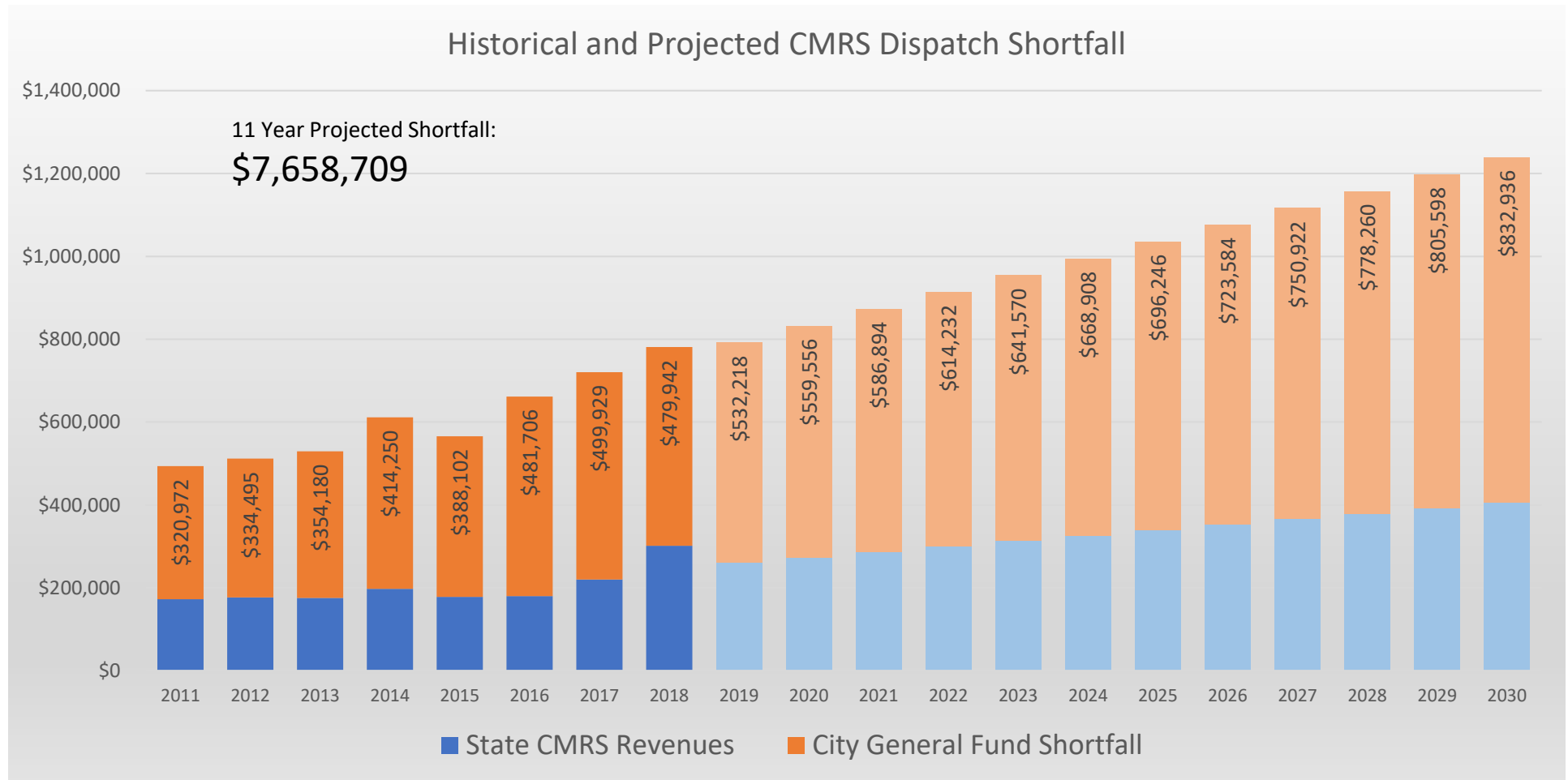
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Street Maintenance Costs



Supporting Finding 9.2: CMRS funds fall far short of the cost to run 911/Dispatch and will create a \$7.6 million shortfall over the next 11 years.

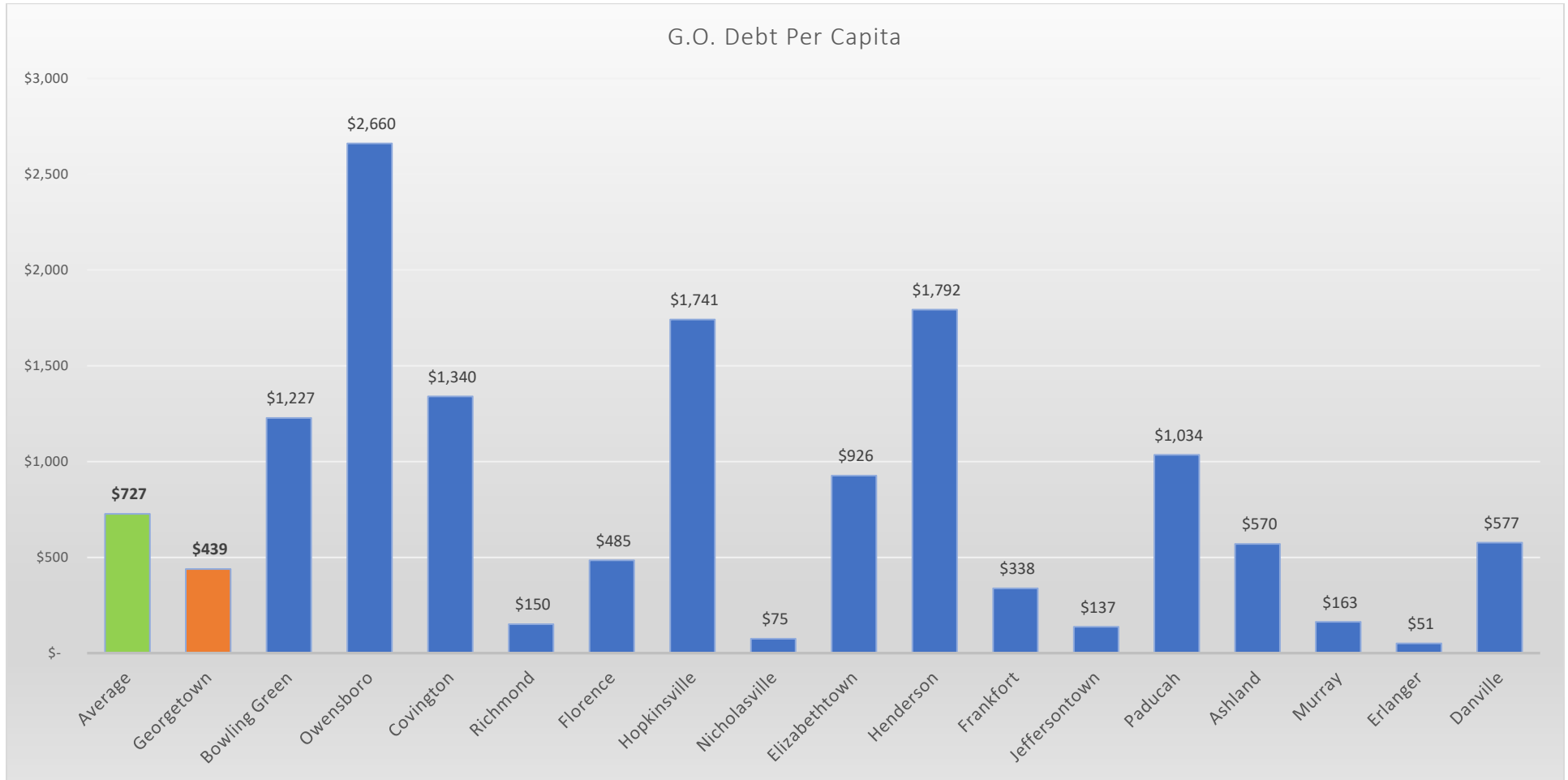
In 2018, the City spent \$1.5 million on 911 Dispatch operations. This City receives half the cost of Dispatch service from the County, leaving \$750,000 as an obligation to the General Fund. In 2018, the City received CMRS funds (state funding derived from a tax on phone service) in the amount of \$301,360. Over the last 8 years, the City has received an average of only 33% of its proportionate share of 911/dispatch costs from CMRS. Over the same 8 years, the City had to supplement 911/Dispatch with **\$3.2 million of General Fund money**. The city is projected to have an 11 year General Fund shortfall of \$7.6 million.



Major Finding 10: Georgetown's general obligation debt is below average, and its reserves are average.

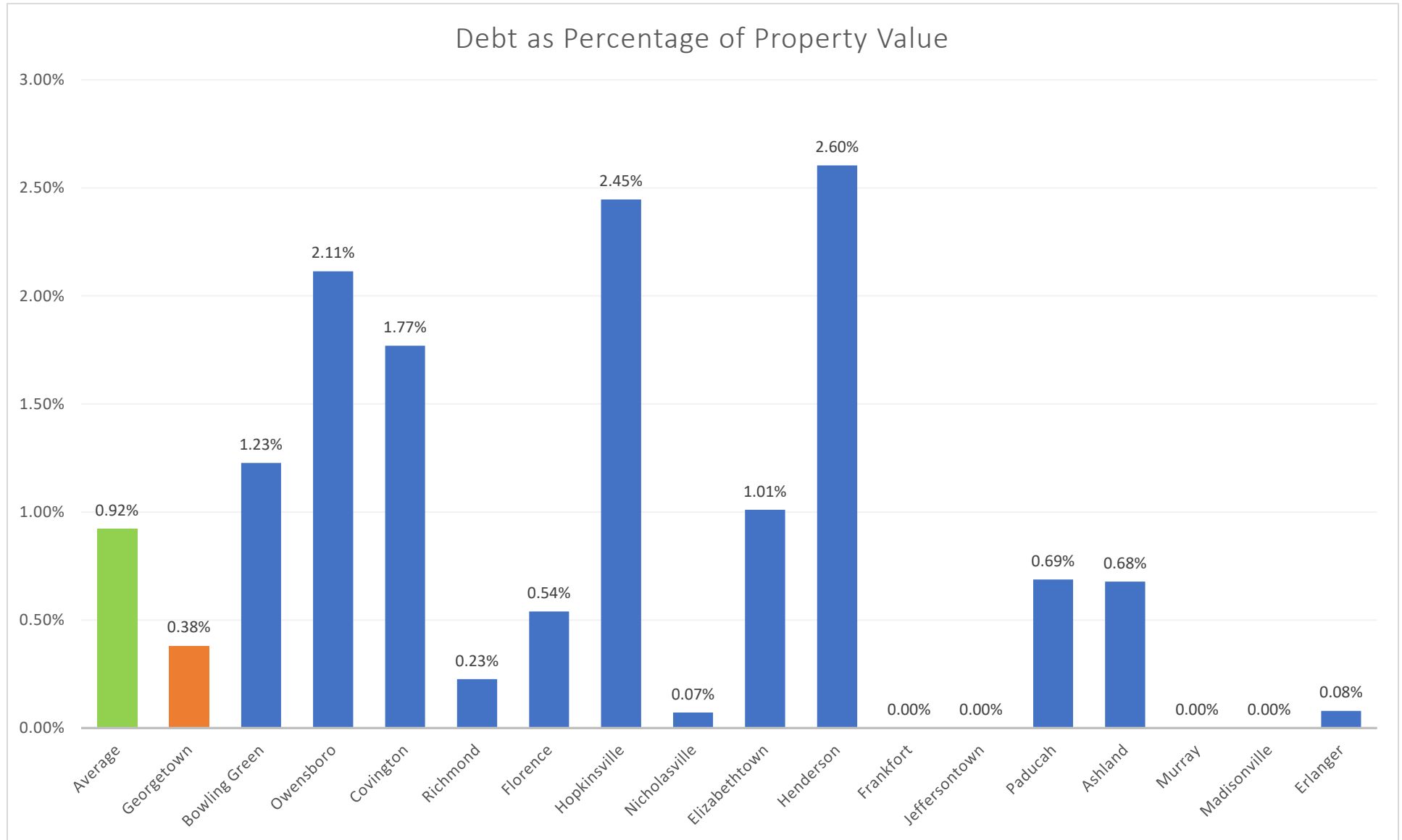
Supporting Finding 10.1: Georgetown's debt per capita is significantly lower than average.

The average debt per capita of the Sample Cities is \$727. Georgetown has a debt per capita of \$439, with a current debt of \$14.7 million. If Georgetown's debt per capita were at the average, its debt would be **\$9,191,177 (62%) higher**.



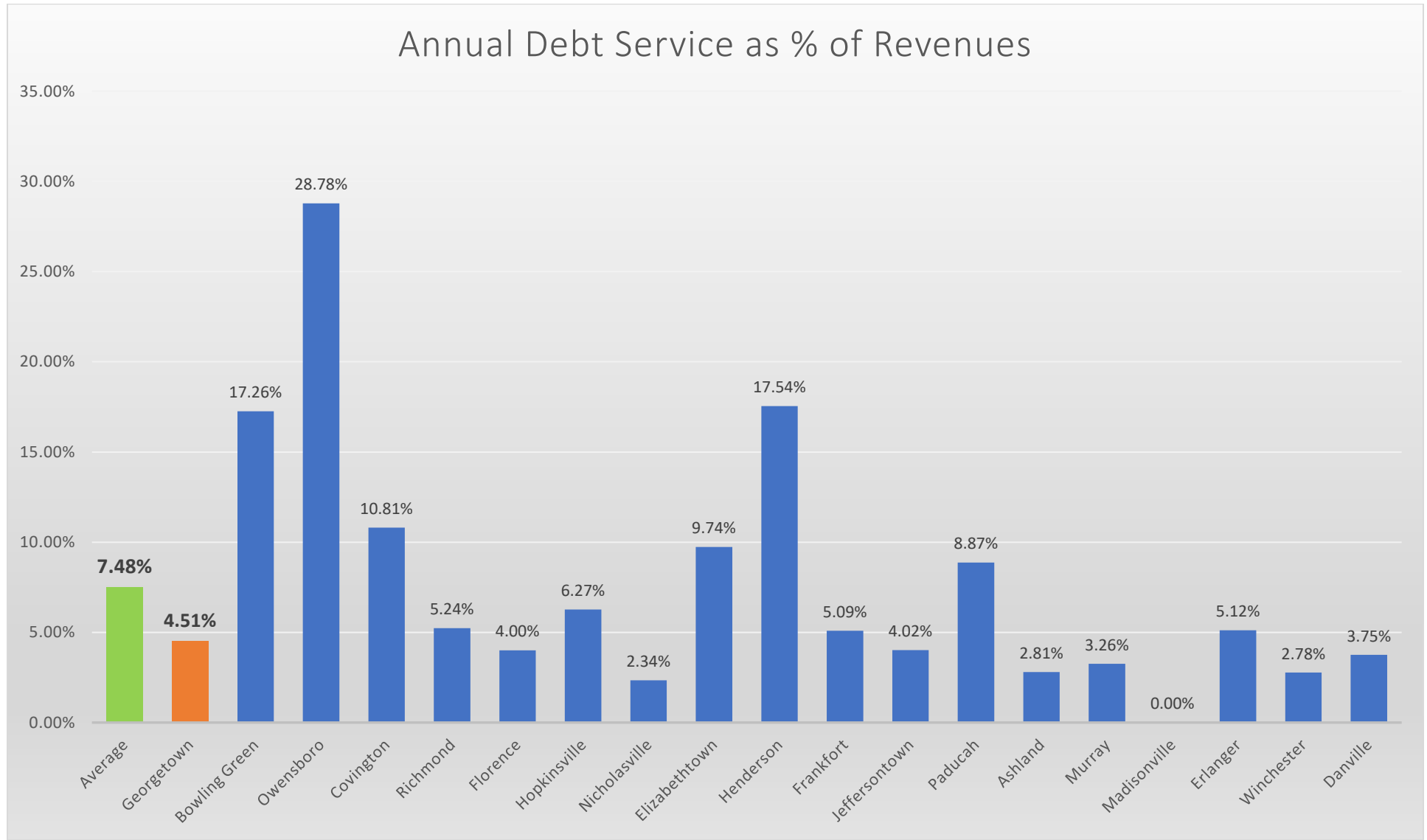
Supporting Finding 10.2: Georgetown's debt is only 0.38% of property values and is significantly lower than average.

The average debt per total property values in the Sample Cities is 0.92%. Georgetown's debt per total property values is 0.38% with a current debt of \$14.7 million. If Georgetown's debt were at the average, its debt would be **\$16.9 million higher**. Georgetown's legal debt capacity (10% of property values) is **\$174,425,261**. The City's current debt is **8.62% of its total capacity**.



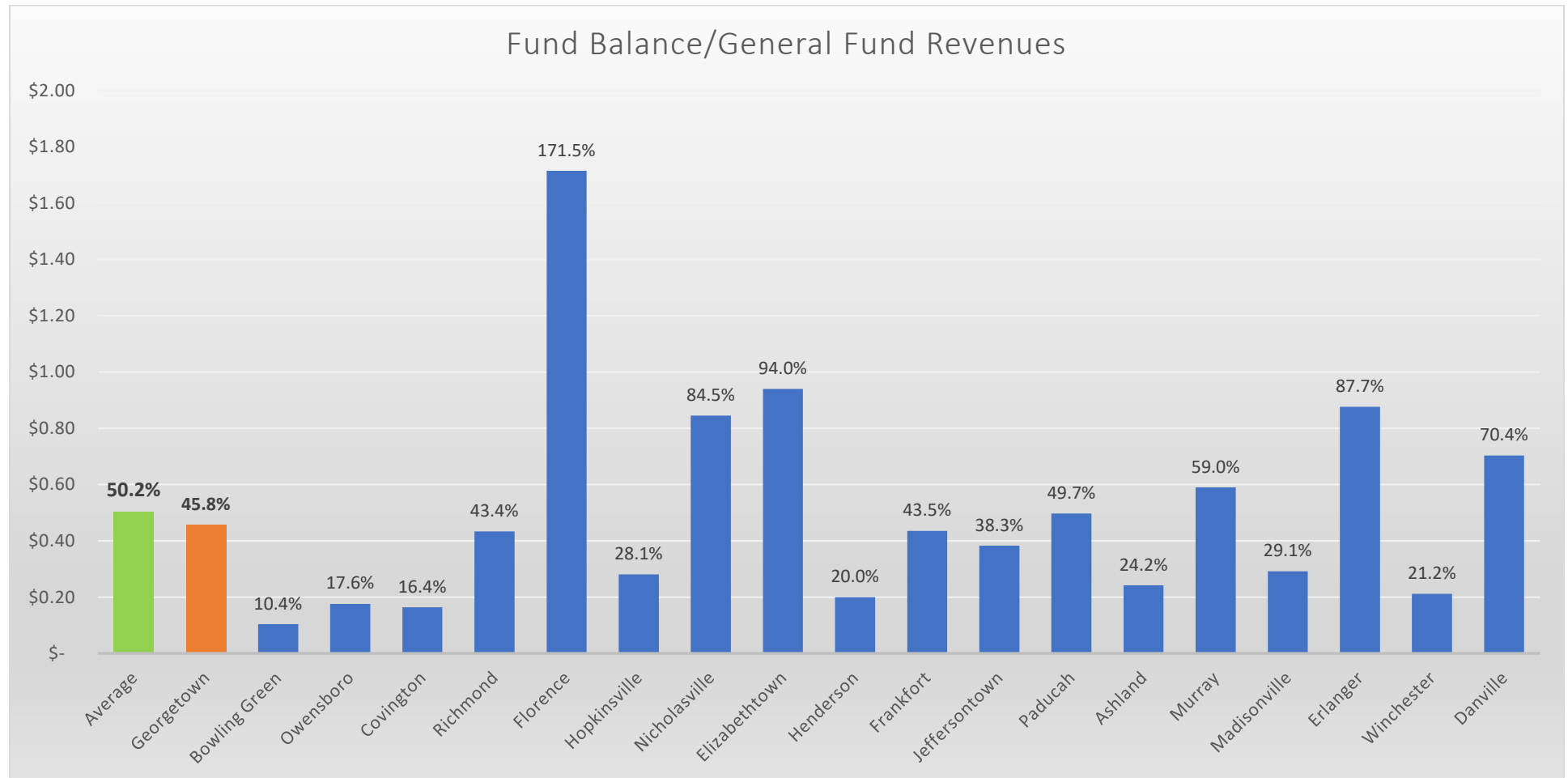
Supporting Finding 10.3: Georgetown's debt service as a % of revenues is 40% lower than the average.

The average Sample City has an annual debt service obligation of 7.48% of its General Fund Revenues. Georgetown's annual debt service as a percentage of General Fund revenues is 40% lower at 4.51%.



Supporting Finding 10.4: Georgetown's fund balance as a percentage of general fund revenues is only slightly less than average.

The average fund balance per general fund revenue percentage in the Sample Cities is 50.2%. Georgetown's fund balance per general fund revenue percentage is 45.8%. Florence has an unusually high percentage of 171.5%, which is considered a statistical outlier. When the mean is trimmed to 20%, the average for the Sample Cities is 42.6%. Months of operating reserve exhibit identical relative percentages, with the average being 5.58 months and Georgetown having 5.49 months. The 20% trimmed mean average is 5.12 months.



BUDGET OUTLOOK

Observation 1: Non-salary personnel costs will dramatically increase over the next five years and remain that way into the foreseeable future.

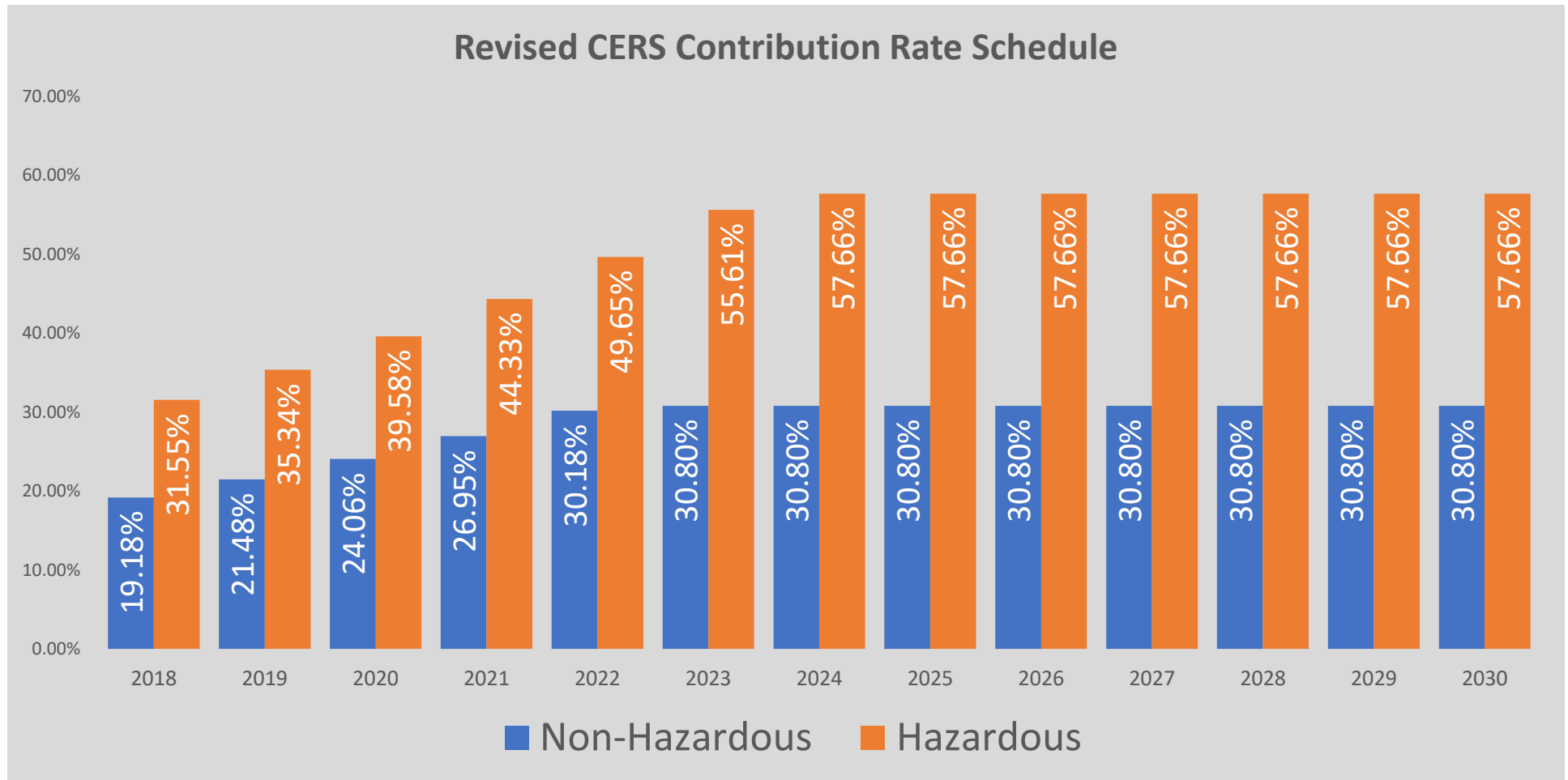
1.1 Hazardous duty CERS contribution rates will increase 82% from 2018 to 2024.

In late 2017, the Kentucky Retirement Systems Board dramatically changed the actuarial assumptions used to calculate the contribution rate for cities. These assumptions will result in a rapid and substantial increase in pension contribution costs for the City over the next five years and into the foreseeable future. The General Assembly passed legislation in 2018 limiting the increases to 12% annually. The KRS Board has released its anticipated contribution rate schedule for the next five years. The rates thereafter will change according to standard actuarial assumptions.

2018 CERS Hazardous duty rates were 31.55%. That means, for every \$1.00 the City paid a police officer or firefighter in salary, it paid \$0.3155 to the retirement system. In 2024, CERS Hazardous Duty contribution rates will top out at 57.6% and remain there until KRS decides the pension liability has been reduced adequately. That is an 82% increase.

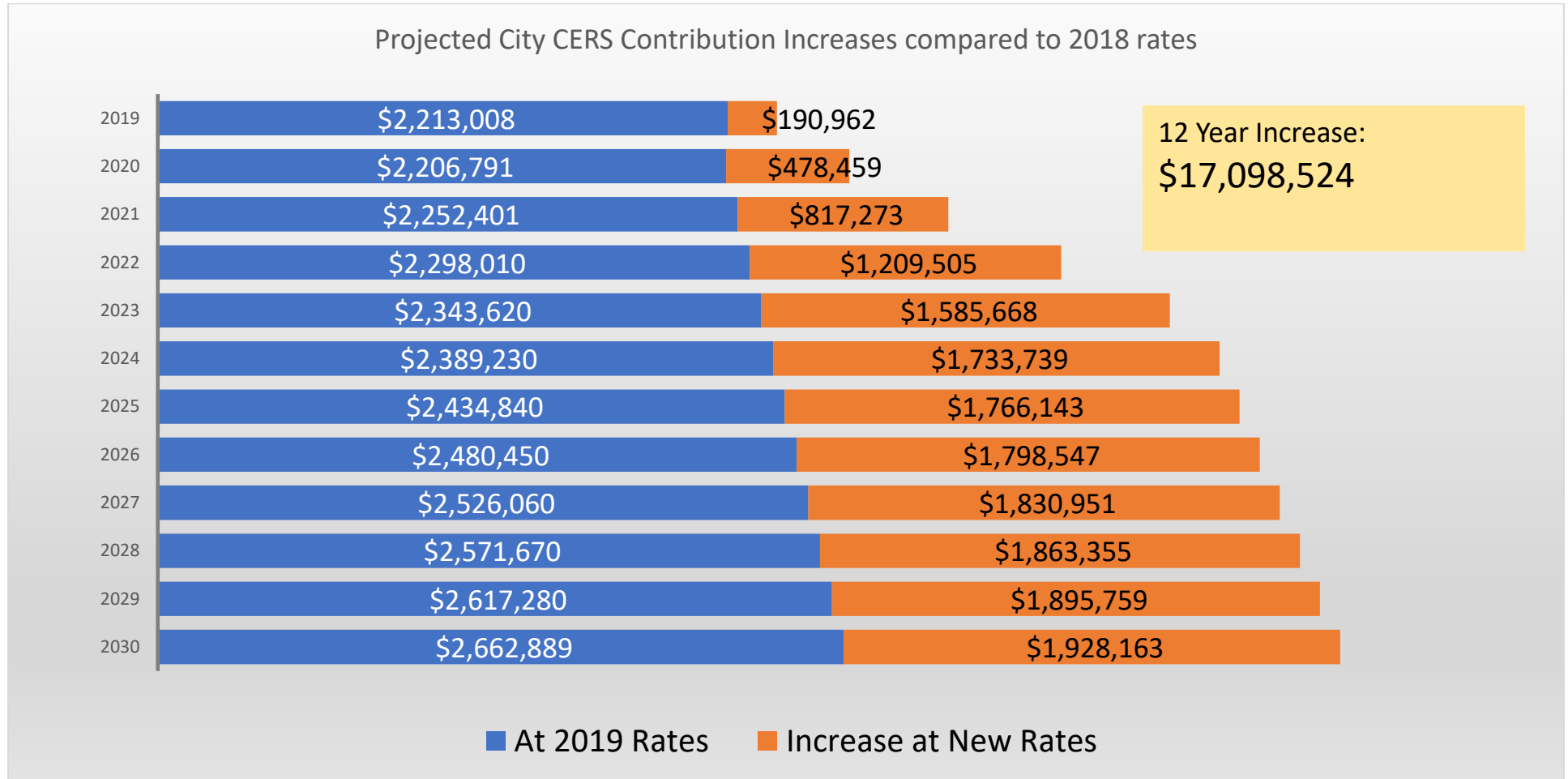
1.2 Non-Hazardous duty CERS contribution rates will increase 60.5% over the next five years.

2018 CERS Non-Hazardous duty rates were 19.18%. That means, for every \$1.00 the City paid, for example, a public works or building inspection employee in salary, it paid \$0.1918 to the retirement system. In 2024, CERS Non-Hazardous Duty contribution rates will top out at 30.80% and remain there until KRS decides the pension liability has been reduced adequately. That is a 60.5% increase.



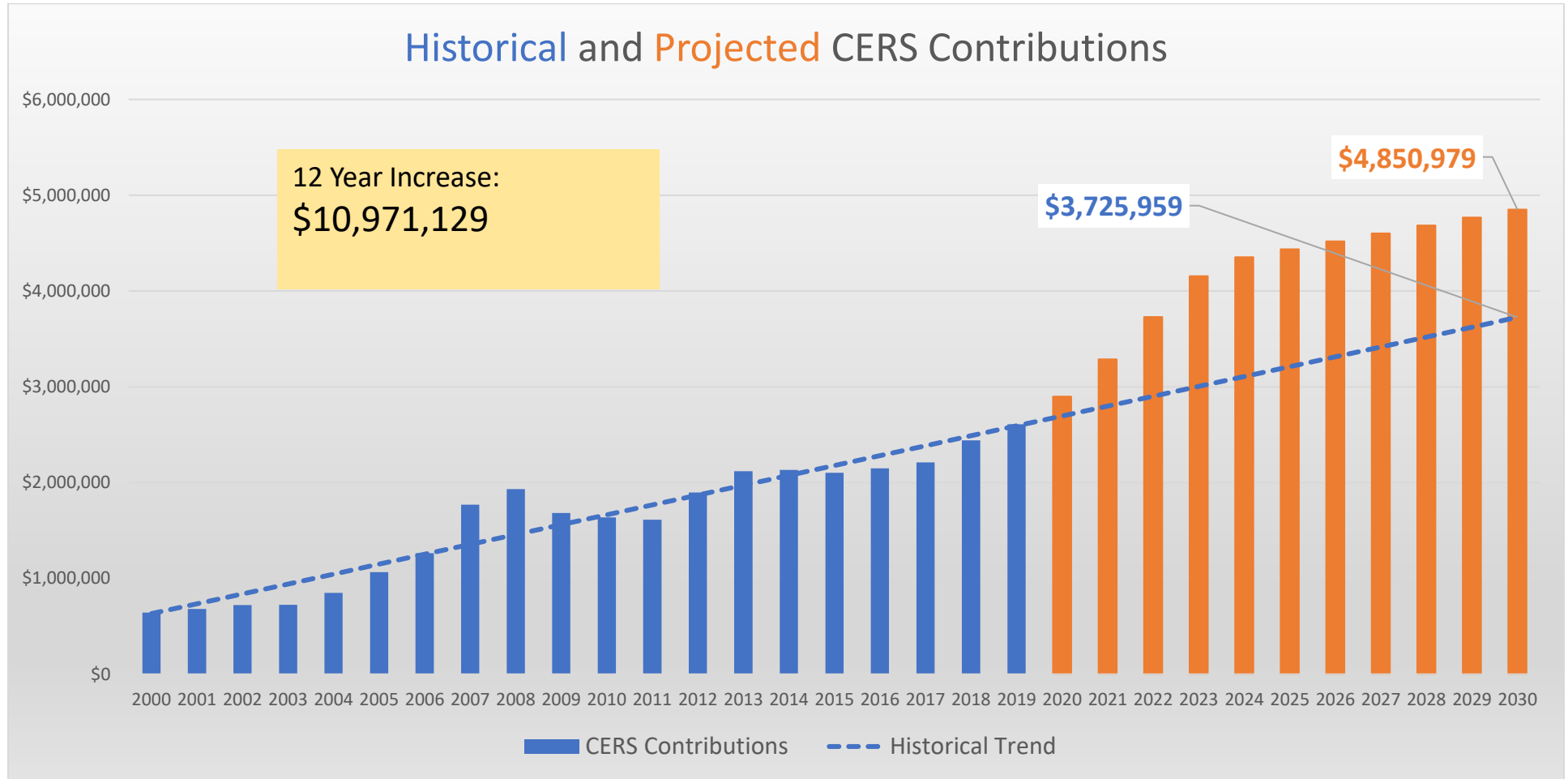
1.3 CERS contribution increases over 12 years will increase City expenses by \$17 million when compared to 2018 rates.

When compared to 2018 contribution rates, the scheduled CERS rate increases applied to projected hazardous and non-hazardous salaries will increase the City's costs by \$17 million over the course of 12 years. That is an average increase of \$1.4 million per year.



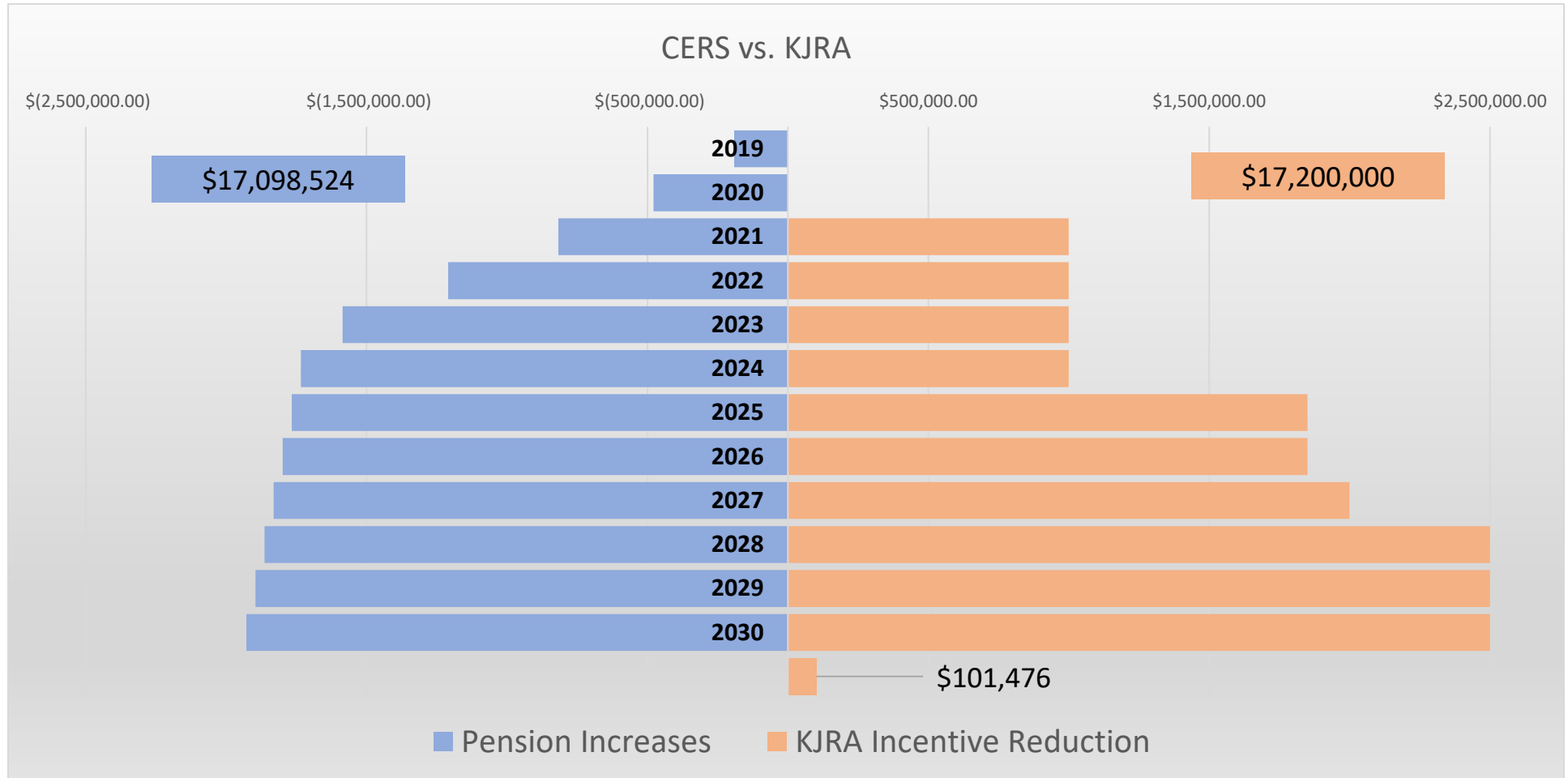
1.4 CERS contribution increases will increase costs by \$11 million compared to the historical trend forecast.

When compared to forecasted CERS contributions based on historical contributions, the revised contributions rates applied to forecasted salaries represent an increase of \$11 million over 12 years. That's an average of \$914,000 each year.



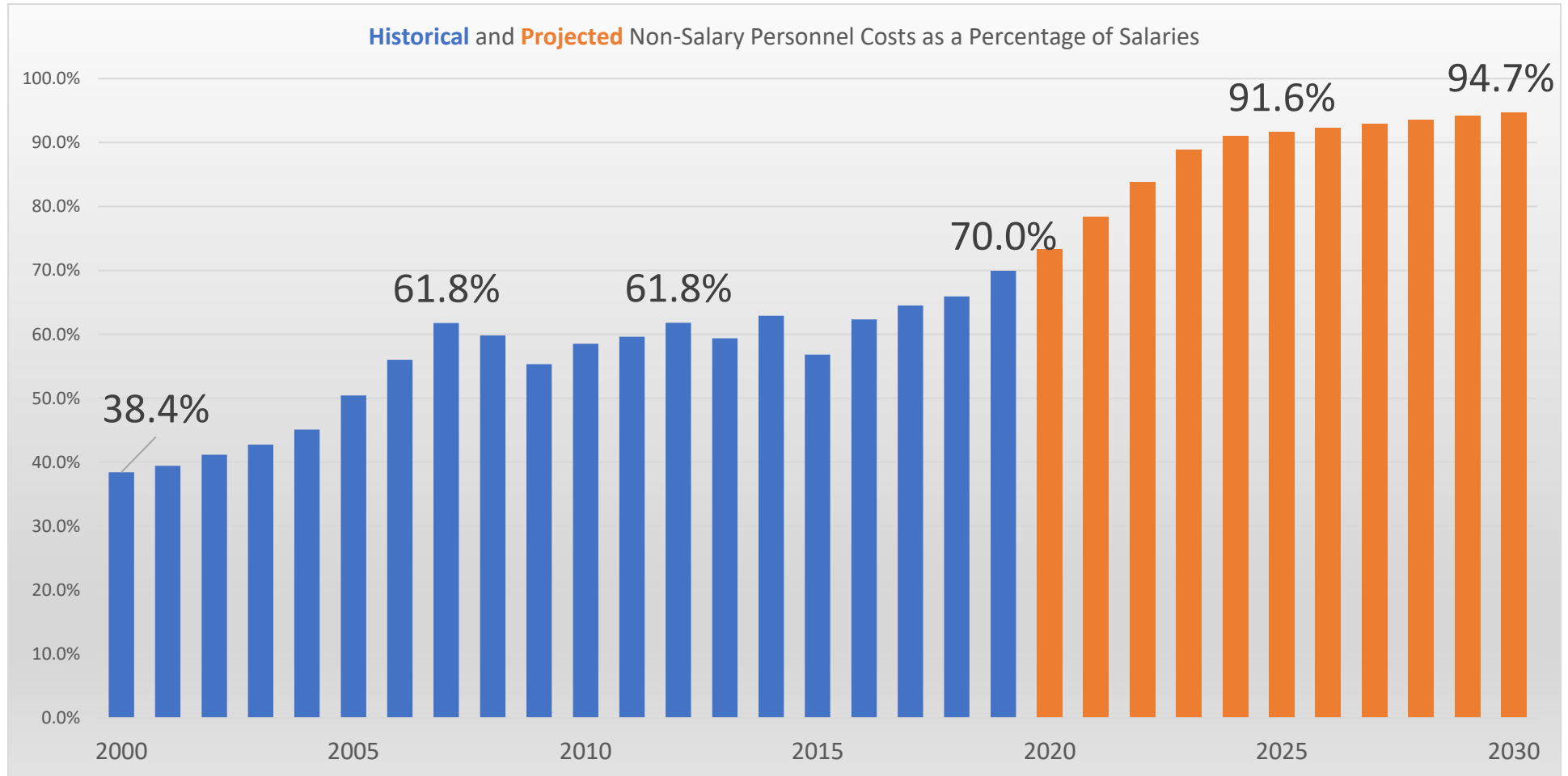
1.5 CERS contribution increases will negate revenue increases from the reduction of the Toyota KJRA incentive.

Beginning in 2021, the Toyota KJRA payroll tax credit incentive will begin to taper down (assuming Toyota does not seek more incentives). The anticipated revenue gains made from the reduction of the credit will be completely negated by the CERS contribution increases. From 2019 to 2030, CERS costs will increase by approximately \$16.9 million, while revenues from the reduction of KJRA incentives will increase by \$17.2 million.

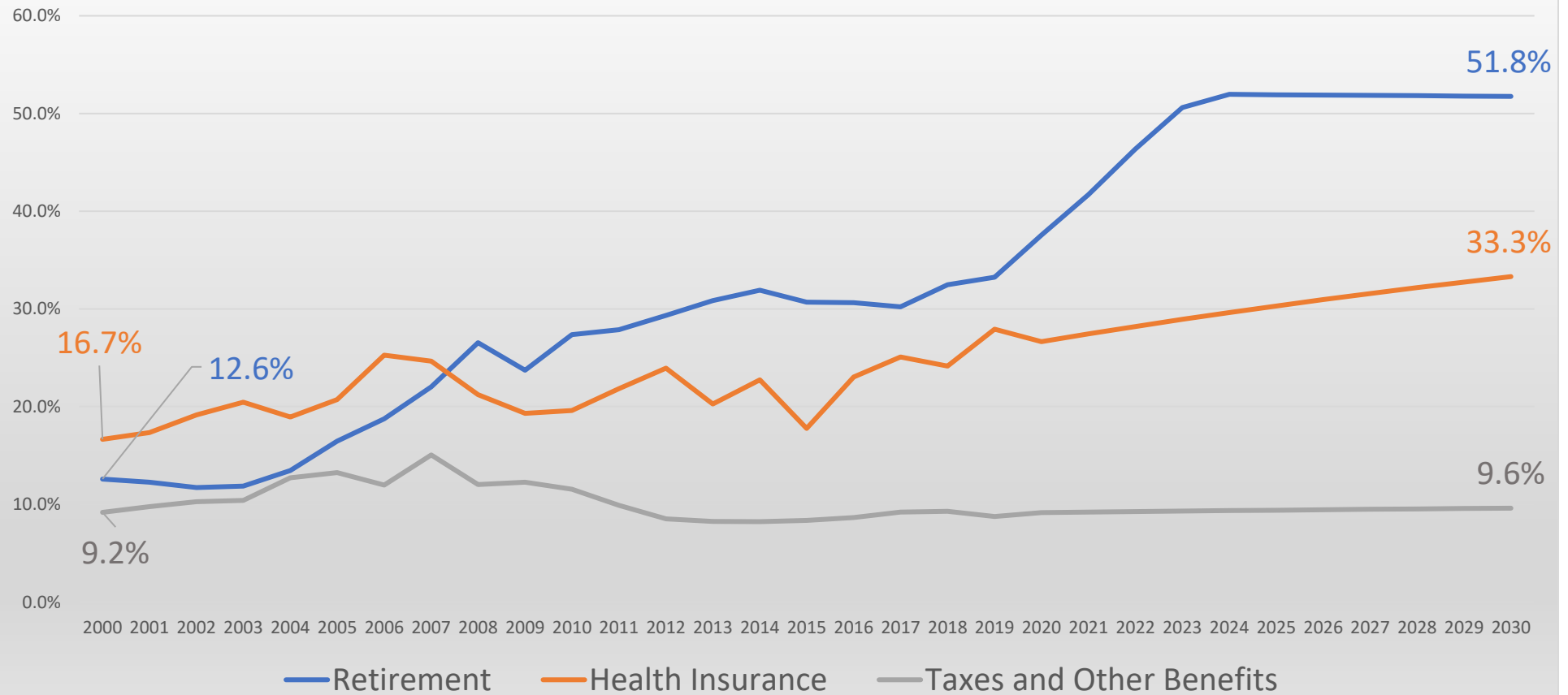


1.6 Non-salary personnel costs have shown a steady and steep historical increase that will continue into the foreseeable future.

In 2000, for every \$1.00 the City paid an employee, it contributed another \$0.38 to non-salary personnel costs (FICA, CERS, Health Insurance, Dental, Disability, Life, Unemployment Insurance, Workers Compensation). Today, for every \$1.00 the City pays an employee, it contributes another \$0.70 to non-salary personnel costs. By 2024, that number will be \$0.91 in non-salary personnel costs and by 2030, almost \$0.95.

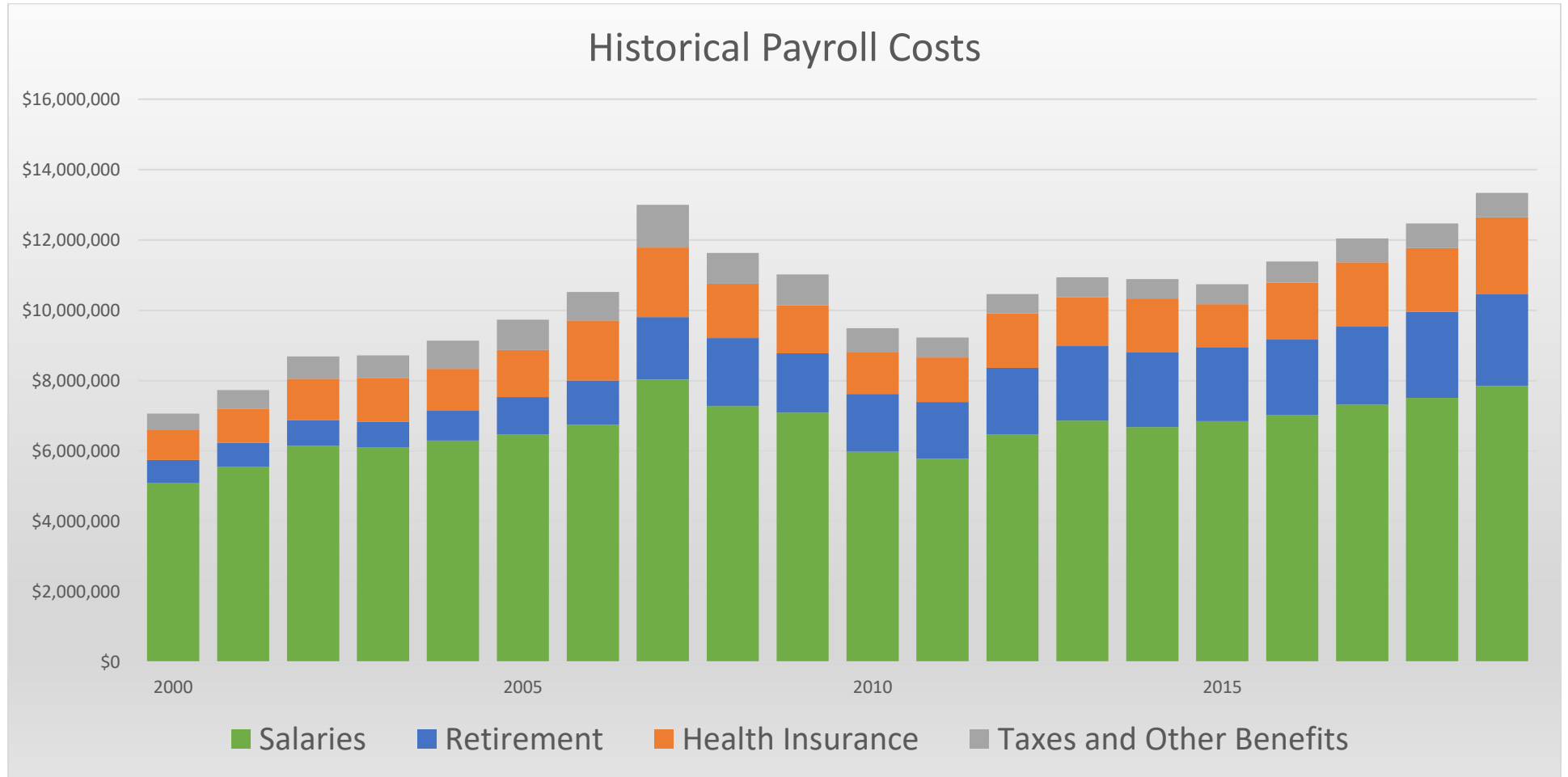


Historical and Projected Individual Non-Salary Personnel Costs as a % of Salaries



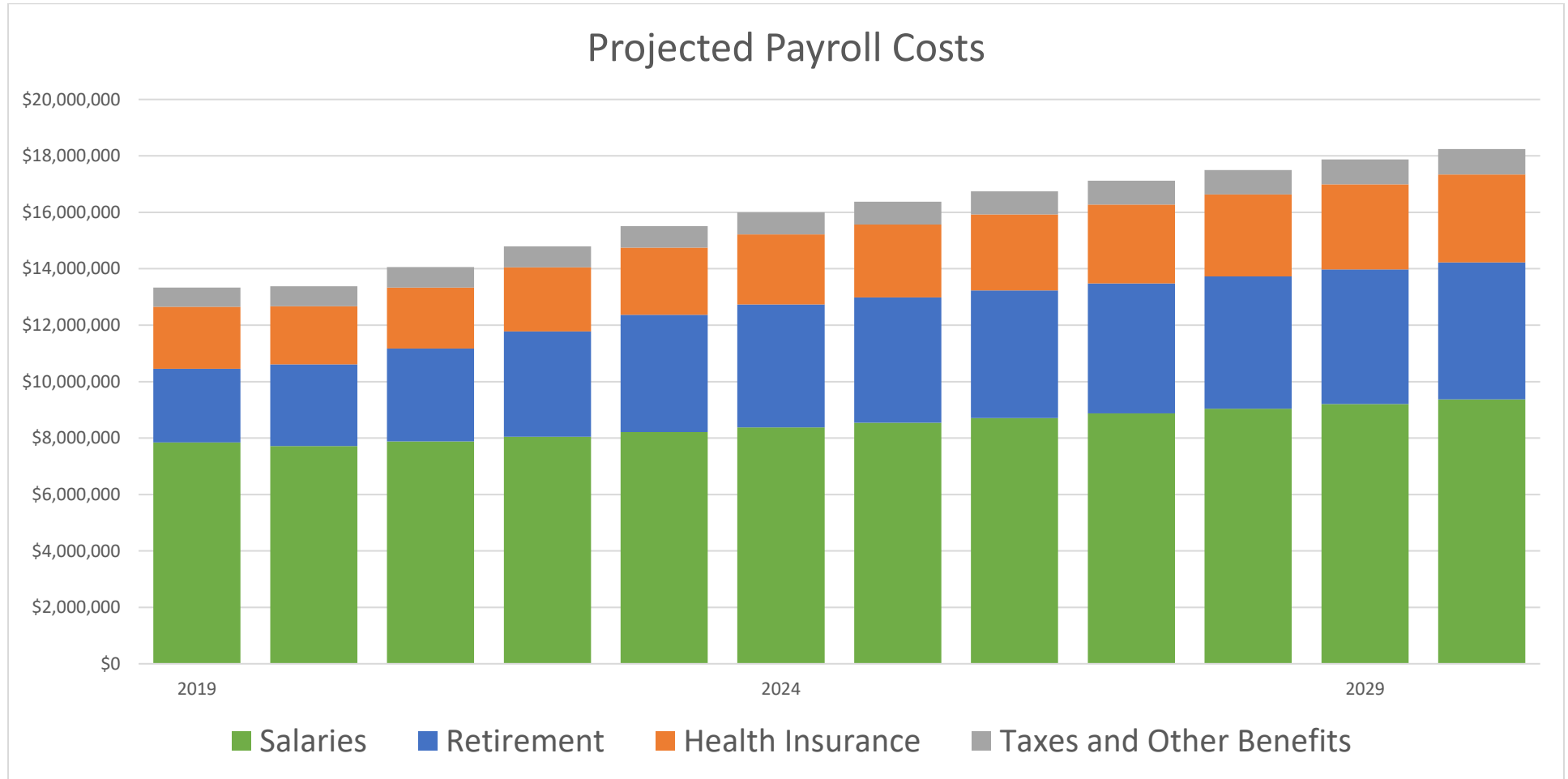
1.7 Over 20 Years, salaries have increased by 54%, but non-salary personnel costs have increased by 180%.

In 2000, the City spent \$5.1 million on General Fund salaries. In 2019, it spent \$7.8 million. That's an increase of 53%. In 2000, the City spent \$2 million on non-salary personnel costs. In 2019, it spent \$5.5 million. That's an increase of 175% or almost triple.



1.8 Salaries are projected to increase 19.4% while non-salary personnel costs are projected to increase 61.7%.

In 2019, the city spent \$7.8 million on salaries. It is projected to spend \$9.3 million in 2030. That's an increase of 19.4%. In 2019, the city spent \$5.5 million on non-salary personnel costs. It is projected to spend \$8.8 million in 2030. That's an increase of 61.7%.



1.9 Between 2000 and 2030, annual non-salary personnel costs will have increased by almost \$7 million, while salaries will have increased only \$4.3 million.

In 2000, the City spent \$2 million on non-salary personnel costs. By 2030, it is projected to spend almost \$8.9 million. That's a 345% increase. In that same time, salaries are projected to have increased from \$5.1 million to \$9.4 million, an increase of 84%.

